Annual Report 2025

# Inspiring Sustainability Transforming the Future



রিলায়েন্স ইন্স্যুরেন্স পিএলসি
RELIANCE INSURANCE PLC.



# Inspiring Sustainability Transforming the Future

"Inspiring Sustainability, Transforming the Future" marks a definitive shift in the journey of Reliance Insurance PLC—from a premier risk carrier to a catalyst for national progress. As Bangladesh maneuvers through a critical socio economic transition, characterized by industrial expansion and climate risk exigencies, the role of a stable financial sentinel becomes paramount.

Our unwavering AAA-rated financial fortitude provides the scaffolding for the nation's economic ambitions, while our move toward digital policy issuance to make insurance more accessible for a modernizing society. By integrating rigorous ESG frameworks, we are not merely mitigating contemporary risks but are actively pioneering "Green Underwriting" to shield the country's agrarian and industrial foundations. This rationale reflects our vision: to harmonize technological innovation with ethical stewardship, ensuring that Reliance remains the cornerstone of a resilient, sustainable, and prosperous Bangladesh for generations to come.

# ACHIEVEMENTS OF BANGLADESH

Source: Wikipedia

**PER CAPITA INCOME**
**$ 2,734**

**TOTAL RESERVE**
**$33 BN**

**CHILD MORTALITY RATE ≤ 5 YEARS**
**30** PER THOUSAND

**GDP GROWTH**
**3.8%**

**AVERAGE LIFE EXPECTANCY**
**74 years**

**PRIMARY EDUCATION**
**98%**

# RELIANCE INSURANCE HIGHLIGHTS 2025

Gross Premium Income (BDT)
**5,410 Mn**

Net Premium (BDT)
**1,597 Mn**

Underwriting Profit (BDT)
**701 Mn**

Investment Income (BDT)
**767 Mn**

Profit Before Tax (BDT)
**1,331 Mn**

Profit After Tax (BDT)
**885 Mn**

Earnings Per Share (BDT)
**8.42**

Financial Assets (BDT)
**7,886 Mn**

Shareholders Equity (BDT)
**8,303 Mn**

NAV Per Share (BDT)
**78.95**

Financial strength rating

**AAA** by CRISL

(Highest Claims Paying Ability)

# IDRA Insurance Excellence Award 2025

Reliance Insurance PLC secured third place in the non-life category at the IDRA Insurance Excellence Award 2025, recognising overall performance, service quality, governance, and regulatory compliance.






Md. Khaled Mamun, FCII (UK), Chief Executive Officer of Reliance Insurance PLC received IDRA Insurance Excellence Award 2025 in non-life category, recognising overall performance, service quality, governance, and regulatory compliance.




Mr. Md. Khaled Mamun FCII (UK), CEO and Mr. Md. Shafiul Azam Khan, DMD of Reliance Insurance PLC are receiving the Gold Award from ICMAB (15th ICMAB Corporate Award).




Mr. Md. Shafiul Azam Khan, DMD and Mr. Badal Chandra Rajbangshi, CFO of Reliance Insurance PLC are receiving the Bronze Award from ICSB (National Award 2024).

# Awards & Accolades




▲

Reliance Insurance PLC received the Gold Award in the Non-Life Insurance category at the 15th ICMAB Best Corporate Awards

▲

Reliance Insurance PLC received the Certificate of Merit in the General Insurance category at the SAFA Best Presented Annual Report Awards 2024

▲

Reliance Insurance PLC received the Certificate of Bronze Award (General Insurance Companies) at the 12th ICSB National Award 2024 for Corporate Governance Excellence.




Reliance Insurance PLC received the Gold Award in the Non-Life Insurance category at the 15th ICMAB Best Corporate Awards.

Reliance Insurance PLC received the Recognition for valuable support to the Rotary Club of Motijheel at the 37th Installation Ceremony.

Reliance Insurance PLC received the Bronze Award in the General Insurance Companies category at the 12th ICSB National Award for Corporate Governance Excellence.

# Corporate Timeline

## 1988

**20.03.1988**
Incorporation of the Company

**22.03.1988**
Certificate of Commencement of Business

**21.04.1988**
License issued for operating the 1st Branch

**21.04.1988**
Signing of First Insurance business

## 1995

**12.04.1995**
Received consent from SEC for issuance of public share of BDT 30 million

**01.05.1995**
Publication of prospectus

**08.05.1995**
Listed with Dhaka Stock Exchange Limited

**16.05.1995**
Subscription Opened

**25.05.1995**
Subscription Closed

**17.07.1995**
First Trading of Shares on Dhaka Stock Exchange Limited

**10.10.1995**
Listed with Chittagong Stock Exchange Limited

**04.11.1995**
First Trading of Shares on Chittagong Stock Exchange Limited

## 1996

20.03.1988
Incorporation of the Company
22.03.1988
Certificate of Commencement of Business
21.04.1988
License issued for operating the 1st Branch
21.04.1988
Signing of First Insurance business

## 2002

27.03.2002
Purchase of Land for the Company

## 2004

28.05.2004
Issuance of first Bonus Share (For the year 2003)
50% Stock & 10% Cash
31.08.2004
Agreement signed with CDBL

## 2008

20.03.2008
Completion of 20 Years of Service

## 2010

18.05.2010
Purchase of Office Premises for the Company
19.12.2010
Received 10th ICAB National Award (Second Position) for Best Published Accounts and Reports 2009

## 2016

**26.10.2016**
Received ICMAB First Best Corporate Awards 2015

**29.11.2016**
Received 16th ICAB National Award (Second Position) for Best Published Accounts and Reports 2015

**24.12.2016**
Received 4th ICSB National Award (Bronze) for Best Published Accounts and Reports 2015

## 2017

**27.01.2017**
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2015 from SAFA

**25.11.2017**
Received 17th ICAB National Award (Third Position) for Best Published Accounts and Reports 2016

## 2018

**28.01.2018**
Received ICMAB Second Best Corporate Awards 2016

**31.01.2018**
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2016 from SAFA

**08.12.2018**
Received ICMAB Second Best Corporate Awards 2017

**24.12.2018**
Received 18th ICAB National Award (Third Position) for Best Published Accounts and Reports 2017

## 2019

**22.01.2019**
Received the best presented Annual Report and SAARC Anniversary Award 1st Runner Up position for Corporate Governance Disclosures 2017

**30.11.2019**
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2018 from SAFA

**30.11.2019**
Received 19th ICAB National Award (Second Position) for Best Published Accounts and Reports 2018

**21.12.2019**
Received 6th ICSB National Award (Silver) for Best Published Accounts and Reports 2018

## 2011

06.03.2011
Shifting Registered Office
04.10.2011
Received 11th ICAB National Award (First Position) for Best Published Accounts and Reports 2010
15.10.2011
Received HR Award 2010 Presented by Institute of Personnel Management
29.11.2011
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2010 from SAFA
12.12.2011
Received ICMAB Second Best Corporate Awards 2011

## 2012

01.10.2012
Received 12th ICAB National Award (First Position) for Best Published Accounts and Reports 2011

## 2013

12.01.2013
Received ICMAB First Best Corporate Awards 2012
22.02.2013
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2011 from SAFA
21.12.2013
Received 13th ICAB National Award (FirstPosition) for Best Published Accounts and Reports 2012

## 2014

11.03.2014
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2012 from SAFA
12.03.2014
Foundation Laying Ceremony of Reliance office Tower
13.03.2014
Celebration of Silver Jubilee
28.04.2014
Received ICMAB First Best Corporate Awards 2013
30.11.2014
Received 14th ICAB National Award (Second Position) for Best Published Accounts and Reports 2013
04.12.2014
Received Certificate of Merit for Best Presented Accounts and Corporate Governance Disclosure Awards 2013 from SAFA

## 2015

20.01.2015
Received ICMAB First Best Corporate Awards 2014
20.01.2015
Received Second Best Corporate Governance Disclosure Awards 2014 from ICSB
10.12.2015
Received 15th ICAB National Award (Second Position) for Best Published Accounts and Reports 2014

## 2020

**23.12.2020**
Received "OVERALL WINNER" Award among 101 participants of all sector and Received "WINNER" (1st Position) Award in Insurance sector for Best Presented Annual Report Awards and SAARC Anniversary Award for Corporate Governance Disclosures 2019 from SAFA.

**25.02.2021**
Received ICMAB "SILVER" (Second) Best Corporate Award 2019.

**23.01.2021**
Received "SILVER" (Second) ICSB 7th Corporate Governance Excellence Award 2019.

**16.11.2020**
Received 20th ICAB National Award (Third Position) for Best Presented Annual Report 2019

## 2021

**11.12.2021**
Received 21st ICAB National Award (1st Position) for Best Published Accounts and Reports 2020

**12.12.2021**
Received "SILVER" (Second) ICSB 8th Corporate Governance Excellence Award 2020.

**30.12.2021**
Received ICMAB Bronze Best Corporate Awards 2020

## 2022

**17.12.2022**
Received "SILVER" (Second) ICSB 9th Corporate Governance Excellence Award 2021.

**03.12.2022**
Received 21nd ICAB National Award(1st Runner-up) for Best Presented Annual Report 2021

**18.12.2022**
Received Winner Award for Best Presented Accounts and Corporate Governance Disclosure Awards 2021 from SAFA

## 2023

**30.10.2023**
Received 2nd ICAB National Award (Joint Silver) for Best Presented Annual Report 2022

**07.11.2023**
Received "Bronze Award", ICMAB Corporate Award

**22.12.2023**
Received Gold Award for Best Presented Annual Report 2022 from SAFA

**01.03.2024**
Received Bima Dibosh Sommanona Smarok from Prime Minister Sheikh Hasina, MP.

## 2024

**10.09.2024**
Received 2nd ICAB National Award (Silver) for Best Presented Annual Report 2023

**11.11.2024**
Received Silver Award for Best Presented Annual Report 2023 from SAFA

**14.11.2024**
Received "Bronze Award", ICMAB Corporate Award

## 2025

**01.01.2025**
Corporate Office and Local Office moved to Reliance Insurance Tower

**03.08.2025**
Name changed to Reliance Insurance PLC from Reliance Insurance Limited

**27.11.2025**
Certificate of Merit in the General Insurance category at the SAFA Best Presented Annual Report Awards 2024

**15.12.2025**
Gold Award in the Non-Life Insurance category at the 15th ICMAB Best Corporate Award

**15.12.2025**
Bronze Award in the General Insurance Companies category at the 12th ICSB National Award

**29.01.2026**
IDRA Insurance Excellence Award 2025 in non-life insurance category

# Letter of Transmittal

All Shareholders,
Bangladesh Securities and Exchange Commission,
Insurance Development and Regulatory Authority,
Office of the Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange PLC. and
Chittagong Stock Exchange PLC.

**Re: Annual Report for the year ended December 31, 2025**

Dear Sir(s):

We are pleased to present the Annual Report of Reliance Insurance PLC for the year 2025 for your information and record. The report includes Audited Financial Statements for the year ended December 31, 2025 prepared in accordance with applicable laws and regulations.

Best regards,
Yours sincerely,

**Mohammad Mamunur Rashid**
Company Secretary

রিলায়েন্স ইন্স্যুরেন্স পিএলসি
RELIANCE INSURANCE PLC.

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Tel: +8802226601940-42, Mobile: +88 01321202220-23 Fax: +880 2 8878831,
E-mail: info@reliance.com.bd Web: www.reliance.com.bd

# NOTICE OF THE 38TH ANNUAL GENERAL MEETING

Notice is hereby given that the 38th Annual General Meeting (AGM) of Reliance Insurance PLC will be held by using digital platform through the link **https://relianceinsurance.virtualagmbd.com** on Thursday, 30 April 2026 at 11:00 a.m. (BST) to transact the following business:

## AGENDA

1. To receive, consider and adopt the Directors' Report and Audited Financial Statements for the year ended 31 December 2025 together with the Auditors' Report thereon.
2. To declare dividend for the year ended 31 December 2025 as recommended by the Board of Directors.
3. To elect/re-elect Directors.
4. To confirm renewal of tenure of the Chief Executive Officer (CEO) of the Company.
5. To appoint Statutory Auditors for the year 2026 and fix their remuneration.
6. To appoint Corporate Governance Code (CGC) Compliance Auditor for the year 2026 and fix their remuneration.
7. To appoint Insurers Corporate Governance Guidelines (ICGG) Compliance Auditor for the year 2026 and fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

**MOHAMMAD MAMUNUR RASHID**
COMPANY SECRETARY

Dated: April 09, 2026

Notes:

(a) The members whose names appeared in the Member's Register of the Company on the Record Date i.e. March 31, 2026 are eligible to participate in the meeting and receive dividend.

(b) Members can cast their vote through online (real time) or e-voting starting from 24 hours before the AGM and voting option will remain open till the closure of AGM.

(c) AGM will be conducted as per BSEC Letter No. BSEC/ICAD/SRIC/2024/318/09, dated January 16, 2024.

(d) As per BSEC notification No. BSEC/CMRRCD/2006 158/208/Admin/81, dated June 20, 2018, soft copies of the Annual Report 2025 along with the Attendance Slip, Proxy Form and the Notice will be forwarded to all Members at their respective email addresses available with us as per CDBL record. These are also available in the Company's website at: www.reliance.com.bd.

(e) A member eligible to attend the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. No person shall act as proxy unless he/she is entitled to be present and vote in his/her own right. The "Proxy Form", duly filled, signed and affixed with stamp of BDT 100 must be sent to Reliance Insurance PLC Share Office or e-mail at emdad@reliance-bd.com by no later than 72 hours before commencement of the AGM.

# Virtual Annual General Meeting Attendance Procedures

Reliance Insurance PLC is pleased to announce its 38th Annual General Meeting, which will be held virtually in accordance with regulatory guidelines, ensuring convenient participation for all shareholders from any location.

## HOW TO LOG IN

Access the Link:

Visit the official voting portal at https://relianceinsurance.virtualagmbd.com (or scan the QR code provided in your physical notice).

**Enter Credentials:**

Put 16 Digit of BOID / Folio / User ID

No. of Shares on Record Date / Password

Login

**Note:** The link will typically be activated 24 hours before the meeting time.

For any support please contact **01755583784**

# Key AGM Governance Steps

**Shareholder Notice**
Newspaper publication for the election of public shareholders.

**Regulatory Compliance**
Board Meeting notification issued as per applicable regulations.

**Board Approval**
Board Meeting held to approve audited financial statements and audit reports.

**Disclosures**
Issuance of Price Sensitive Information (PSI), AGM notice, and related disclosures.

**Documentation**
Preparation and finalization of AGM minutes.

**AGM Notice**
Notice of the Annual General Meeting served at least twenty one (21) days in advance.

# Insights for Shareholders

Once you are logged into the platform, the interface is designed to keep you fully informed in real-time.

**Live Dashboard Features**



LIVE STREAMING

A high-definition video broadcast of the meeting proceedings.



ATTENDANCE TRACKING

Real-time display of the total number of shareholders present and the total number of shares represented.



AGENDA & RESULTS

You can see the current Agenda item being discussed and the live tally of voting results as they are recorded.



COMMENTS FEED

A view of questions and comments being submitted by other participants.

# Shareholder Actions and Engagement

Your participation is vital. The platform allows you to exercise your rights as a shareholder through two primary actions:

## Voting on Agendas

For each proposal (such as adopting audited financial statements or declaring dividends), you will see two options:



Green Button (In Favor):

Click this to vote for passing the proposal.

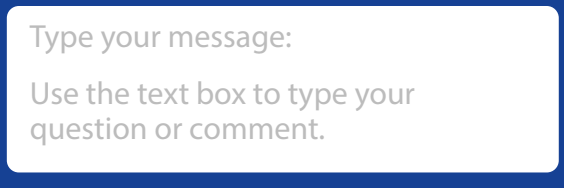


Red Button (Against):

Click this to vote against the proposal.

## Submitting Questions or Comments

You don't have to wait for a Q&A session to speak up.




Click the 'Submit' button. Your query will be sent directly to the Board of Directors and the Company Secretary for review and response.

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# CORPORATE OBJECTIVES VALUES & STRUCTURE



# Vision

Our vision is to be the premier insurance organization and the insurer of first choice in Bangladesh with a sound reputation for dependability, professionalism and the highest standards of customer service.

# Mission

Our mission is to:

- Grow significantly and achieve significant non-life insurance market share.
- Continue delivering attractive returns to our shareholders.
- Continue to be a caring organization and employer of choice.
- Bring innovation in insurance products and selling techniques.
- Invest in top quality human resources and develop full potentials of employees by providing continued training and insurance education.



# Strategic Objectives

We at Reliance Insurance, realize that, for us to prosper, we need to be flexible and responsive, to satisfy our clients by providing them with what they want, when they want it and most importantly before other competitors can offer it.

## Process focus

- To have all products meet standard of excellence guidelines
- To continually improve internal process to realize efficiencies
- Improve system accuracy and responsiveness
- Improve organizational structure
- Improve performance measurement and reporting capability
- Reduce administrative overhead
- Improve financial analysis, controls, and audit capability

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It is important to recognize the elements that make our intangible resources, such as, our ability to relate to customers regarding their needs and wants, management style, corporate culture and commitment. These elements will differentiate us from our competitors and contribute towards the development of a sustainable competitive edge. Our corporate strategy and guiding principles rest firmly on this belief.

## Business focus

- Increase quality
- Reduce delivery time
- Implement change faster
- Increase customer retention
- Increase customer loyalty
- Introduce new products to new and existing markets
- Improve overall productivity and maximize market share
- Improve marketing, advertising and public relations
- Achieve and maintain outstanding customer service
- Continuously broaden customer database by obtaining new information on customer characteristics and needs

## People/learning focus

- To hire, develop and maintain the right people in right place
- Employ professionals who create success for customers
- Develop broad set of skills useful for customer support
- To continually learn and adopt current best practices
- Transfer knowledge from leading-edge clients
- To align incentives and staff rewards with performance

# Profile of the Company

A leading first generation private sector Non-life Insurance Company in Bangladesh, Reliance Insurance PLC (RIPLC) was incorporated in 1988 as a Public Limited Company under the Companies Act, 1913 (Present 1994) and subsequently was listed with Dhaka and Chittagong Stock Exchanges in 1995. Reliance transacts all classes of non-life insurance business in Bangladesh and its turnover was BDT 5,410.38 million, being total gross premium underwritten in 2025. The Company carries its insurance activities through Head Office along with 21 (twenty one) branches spread across the country.

Reliance is focused on providing professional services of the highest quality to its clientele which include many reputed large national and multinational conglomerates. Over the years, Reliance has established its track record as a sound and dependable insurer, consistently able to meet its commitments and by providing insurance solution to the individual needs of its clients.

Financial performance of the Company has been consistently positive, delivering both underwriting and investment income and by giving attractive returns to its shareholders. The Company has over the years been maintaining strong corporate culture, corporate governance, ethical standards, corporate social responsibilities, superior underwriting skills and abilities and dynamic investment management.



### MARKET CAPITALIZATION

Reliance has an authorized capital of Tk. 2,000 million and paid up capital of Tk. 1,051.6 million in the year 2025. Shares of the Company are traded in both Dhaka Stock Exchange and Chittagong Stock Exchange and are listed in the "A" category. The company has a total market capitalization of approximately Tk. 6,856.50 million as at December 31, 2025.



### STABLE OUTLOOK

Reliance Insurance PLC received "AAA (Triple A)" Surveillance Rating from CRISL based on its sound financial performance and claim paying ability.



### BOARD COMPRISES

The Board of Directors of Reliance comprises a good number of eminent entrepreneurs and personalities of the country.



### MANAGEMENT LED BY

The management team is headed by Mr. Md. Khaled Mamun FCII (UK), who joined Reliance Insurance in June, 2005 after 11 years of service in Reinsurance Department of the State Owned Sadharan Bima Corporation. Apart from his Masters degree from Dhaka University, he also obtained Diploma in Development Planning from Academy for Planning and Development, Dhaka. He is an Associate Member of Bangladesh Insurance Academy, Dhaka and Fellow Member of Chartered Insurance, United Kingdom. He received Advanced Non-Life Insurance & Reinsurance Training from Swiss Insurance Training Centre (SITC) of Swiss Re, Zurich, Switzerland and Reinsurance Management Training from Asian Re, Bangkok, Thailand.



### FORESIGHT

The future plans of Reliance encompass not only development of new products and services, but also marketing activities aimed at tapping the hitherto untapped segments of the market. The Company is fully aware of its social responsibilities and would like to aim its future developments activities in the direction which bring insurance services and benefits to the reach of the common people of Bangladesh. Our future plan is to integrate AI into our underwriting and claims decision-making processes to enhance efficiency, accuracy, and service quality

# About Reliance Insurance PLC

The Company was incorporated as a public limited company in Bangladesh in the year 1988 under the Companies Act 1913 (at present 1994). The Company within the stipulations laid down by Insurance Act 2010 and directives as received from time to time from Insurance Development & Regulatory Authority provides Non-life Insurance services. The Company is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a Publicly Traded Company under "A" category. The Company carries its insurance activities through 21 (twenty-one) branches spread across the country.

| | |
|---|---|
| **Registered Name of the Company** | Reliance Insurance PLC. |
| **Nature of the Business** | Non-life insurance business |
| **Company Registration Number** | CR-1/88 |
| **Tax Identification Number (TIN)** | 647975407445/LTU, Dhaka |
| **Business Identification Number (BIN)** | 000000363-0006 |
| **Number of Shareholders** | as on December 31, 2025– 2,446,<br>as on Record date (March 31 2026) - 2,232 |
| **Number of Subsidiary Companies under Reliance Insurance PLC.** | Nil |
| **Registered Office** | Reliance Insurance Tower, Plot no. 11, Block CWS(C),<br>South Avenue, Gulshan-1, Dhaka 1212, Bangladesh |
| **Contacts** | PABX : +88 0222 660 1940-42, +88 01321 202 220-23<br>Hotline : +88 01988 000 555, E-mail: info@reliance.com.bd |
| **Web Presence** | www.reliance.com.bd |
| **Company Secretary** | Mohammad Mamunur Rashid |
| **Statutory Auditors** | MABS & J Partners, Chartered Accountants<br>SMC Tower (Level - 7), 33 Kemal Ataturk Avenue,<br>Road #17, Banani C/A, Dhaka 1213 |
| **Corporate Governance Compliance Auditor** | Jasmin & Associates, Chartered Secretaries<br>55/B Noakhali Tower (10th Floor), Suite: 11-F, Purana Paltan, Dhaka – 1000 |
| **Insurers' Corporate Governance Guidelines Auditor** | MNA Associates<br>Tropical Molla Tower L-3, Sha-15/1-4, Pragati Sarani, Middle Badda, Dhaka |
| **Credit Rating** | AAA (Triple A: Highest Claims Paying Ability) by CRISL |
| **Membership (Local)** | • Bangladesh Insurance Association<br>• Bangladesh Insurance Academy<br>• Bangladesh Association of Public Listed Company<br>• International Chamber of Commerce-Bangladesh<br>• Metropolitan Chamber of Commerce & Industry- Dhaka<br>• Bangladesh Employer Federation<br>• Dhaka Chamber of Commerce and Industry<br>• Bangladesh-German Chamber of Commerce & Industry |
| **Membership (Foreign)** | • Association of Insurers & Re-insurers of Developing Countries (AIRDC)<br>• Insurance Congress of Developing Countries (ICDC)<br>• Federation of Afro-Asian Insurers and Re-insurers (FAIR) |
| **Principal Bankers** | • Bank Asia PLC.<br>• BRAC Bank PLC.<br>• Standard Chartered Bank<br>• Commercial Bank of Ceylon<br>• Sonali Bank PLC.<br>• IFIC Bank PLC. |

# Our Core Values



### Transparency

We encourage and inculcate total transparency and communicate openly & honestly with all our stakeholders and clients. We accept our individual and team responsibilities and we make support business decisions through experience and good judgment.



### Integrity

We are committed to employ the highest ethical standards, demonstrating honesty and fairness in all our actions.



### Professionalism & Excellence

We believe in developing a highly motivated, valued and diverse workforce. We strive constantly to be the best in quality and in everything we do in order to meet and exceed the highest expectations of our customers.



### Customer Focus

We are dedicated to satisfying customer needs and honoring commitments that we have made to them. Our customers are our partners and we remain committed to build strong relationship with them and value their loyalty as our best rewards.



### Result Focus

We are result focused. We strive to timely, tenaciously and consistently execute well developed plans, goals and objectives and we accept responsibility for the results they deliver.



### Teamwork

We are committed to a teamwork environment where every individual is a valued member, treated with respect, encouraged to contribute and recognized and rewarded for his/her efforts.

# Ethical Principles

Faith, responsibility, ethics and respect are central to Reliance Insurance's core values and leadership attributes. By being genuinely ethical in all matters that we perform, Reliance Insurance can attract and retain the best employees and ensure its position as the insurer of first choice in Bangladesh. Operating in an ethical manner is essential to our success.

The customers, regulators and other stakeholders all rely on us to be transparent, prudent, accountable and fair. We must therefore behave ethically in communities where we operate in order to maintain the confidence of our customers and other stakeholders and ultimately to keep their business. We can install this trust and confidence with every business action and decision we make.

# Corporate Culture

In keeping with our Vision and Mission to "make a positive difference" in the lives of our employees, Reliance Insurance has cultivated a unique corporate culture. In this culture, challenging work, open communications both upwards and downwards, accessibility to leadership including encouraging bottom up rather than 'top down' approach, mutual respect, trust, and concern for co-worker and community well-being and development are melded together to create a workplace with a family-like feel which is productive, personally fulfilling, and professionally satisfying.

**The following amenities, policies, practices, benefits, beliefs, and behaviors contribute to creating and maintaining the Reliance corporate culture.**



### Office Building Amenities

- Architecturally aesthetic and modern office building situated at a prime location of the city having convenient access to public transportation.
- Parking facilities on a spacious lot.
- Secured building with round the clock security service.
- Comfortable indoor dining facilities for employees.



### People Management Philosophy

- Attract and partner with qualified employees whose education, experience, and desire to grow and success will contribute to the accomplishment of Company goals.
- Blend the experience and knowledge of flexible long-term employees with the energy and fresh perspectives of new employees from other organizational experiences to create a versatile workforce capable of responding to the challenges and increasing demands of today's business environment.
- Train and develop employees for current jobs, future opportunities, and the continuing viability of the organization through insurance education, technical and management skills training, educational assistance, promotion from within, and strategic succession planning.



### Other Amenities, Perks and Benefits

- Shuttle transport arrangement for most of the employees.
- Attractive car scheme proposal for executive level employees give a new dimension to boost up the morality of employees.
- Tuition assistance for approved, job-related degree programs or certifications.
- Monthly update meetings among Head of Division (HoD) brings more paces to draw the finish line of all activities.
- Annual salary increase considerations and bonus eligibility at all levels.
- Competitive employee benefits program with full hospitalization and life insurance coverages.
- Provident Fund contribution @ 10% by Reliance for all regular employees.
- Employees are entitled to get double gratuity benefit if he/she completes his/her ten years tenure.
- Re-allocation packages for employees who become displaced through reorganizations.
- A prevailing norm of considerate, respectful, cooperative, and friendly behavior among employees and management.

# Our Products

### ENGINEERING INSURANCE

- Machinery Breakdown Insurance (MBD)
- Deterioration of Stocks (DOS)
- Boiler and Pressure Vessel (BPV)
- Electronic Equipment Insurance (EEI)
- Erection All Risks (EAR)
- Contractor's All Risks (CAR)
- Oil & Gas Well Drilling Equipment Package (OGD)
- Contractors Plant & Machinery (CPM)

### MOTOR INSURANCE

- Motor Insurance for Commercial Vehicle
- Motor Insurance for Private Vehicle
- Specialised Motor Vehicle

### HEALTH INSURANCE

- Group Health Insurance

### OVERSEAS MEDICLAIM

- Business and Holiday (B&H)
- Corporate Frequent Travels (CFT)
- Employment and Study (E&S)

### MARINE INSURANCE

- Marine Cargo
- Marine Hull
- Builders Risks Insurance

## Product Diversification and Innovation

At Reliance Insurance, we are always looking for new ways to improve and grow. Along with traditional insurance like Fire, Marine Cargo, and Motor, we are using technology to make our services better and easier to access. By going digital, we can now serve more customers, work more efficiently, and provide a smoother experience. Our focus on innovation helps us stay ahead and offer the best insurance solutions.

To grow further, we have identified opportunities in the personal lines and non-traditional insurance segment, where penetration remains low in Bangladesh due to negative perceptions and low awareness. To address this, Reliance has developed digital platforms to offer a range of personal line insurance products. This approach not only creates convenience for customers but also opens opportunities for premium income from this market. Our user-friendly website allows customers to buy insurance coverage from the comfort of their homes or offices, reducing the need for physical visits to our premises.

Beyond personal lines insurance, we have expanded our portfolio by introducing products such as Cyber Insurance, Bankers Blanket Bond (BBB), Sabotage & Terrorism, Commercial General Liability, Product Liability, and D&O Liability Insurance. In 2022, we introduced Crop Insurance, covering potato crop during the Rabi Season in Bogura, Rajshahi,and Cox's Bazar regions, reinforcing our commitment to market needs. We expanded our crop insurance portfolio in 2024, providing coverage to large number of farmers in the Northern region of Bangladesh.

Notably, our crop insurance product operates on a sustainability platform, where farmers directly pay the premium without any private or government grants. In 2024, we also settled a substantial number of claims under crop insurance for farmers.

## MISCELLANEOUS INSURANCE

- Burglary
- Money Insurance (for Banks)
- Cash in Safe
- Cash in Transit
- Cash on Counter
- Cash in Premises
- Fidelity Guarantee
- Product Liability
- Public Liability
- Directors & Officers Liability Insurance
- Workmen's Compensation
- Employer's Liability
- Marine Terminal Operators Liability (MTOL)
- Commercial General Liability
- Bankers Blanket Bond (BBB)
- Hotel Owner's All Risks (HOAR)
- Personal Accident Insurance
- Cyber Liability
- Aviation Insurance-Aircraft Hull
- Sabotage & Terrorism
- Crop Insurance
- Bancassurance
- Livestock Insurance

## PROPERTY INSURANCE

- Fire Insurance (including Allied Perils)
- Property Damage All Risks
- Industrial All Risks (IAR) including Business Interruption
- Comprehensive Machinery Insurance

With the initiative of the Government of Bangladesh, Bancassurance was approved by IDRA and Bangladesh Bank in 2023. We have already signed agreements with two banks, and our IT integration with these banks has been completed. The Bancassurance business is fully automated through our and the banks' computer systems. This will streamline processes, ensuring seamless transactions and an enhanced customer experience. We have already commenced selling insurance products through this channel.

In addition, we have started selling Motor insurance and are witnessing encouraging results, which reflects the growing acceptance of our products and the effectiveness of our distribution strategy. Bancassurance is expected to play a crucial role in increasing insurance penetration in the country. Reliance Insurance remains committed to diversification and innovation, delivering exceptional service and value to our clients in order to stay ahead of the competition.

As part of its continued commitment to innovation and product diversification, Reliance Insurance PLC is working to introduce a specialized Credit Insurance product in line with the recent Bangladesh Bank circular allowing payment undertaking/payment risk coverage from local insurance companies for export transactions, including those under usance terms and documentary collection. In this regard, the Company is engaging with overseas partners to develop an appropriate and sustainable solution for the Bangladesh market. The proposed product is expected to enhance confidence in export trade by mitigating payment default risk, supporting exporters and financial institutions, and contributing to stronger trade facilitation. This initiative reflects Reliance's strategic focus on expanding specialized insurance solutions to meet the evolving needs of the country's financial and commercial sectors.

# Bancassurance

Bancassurance was approved by the Insurance Development and Regulatory Authority (IDRA) and the Bangladesh Bank in 2023, allowing banks to act as corporate agents to distribute insurance products. This regulatory approval paved the way for an integrated financial system where banking services and insurance products can be offered under one roof.

Reliance Insurance PLC has partnered with two private banks under the Bancassurance model. This partnership enables customers to access various insurance products easily through bank branches and digital banking platforms. Banks facilitate the sale of insurance policies by leveraging their extensive customer base and distribution network. Bank employees are being trained at Bangladesh Insurance Academy (BIA) and these trained bank personnel guide customers through available policy options and assist their clients in the purchasing process, enhancing customer experience and financial security.

IDRA has approved the sale of Motor, Travel, Health (including Personal Accident), and Crop Insurance through the Bancassurance channel. This initiative is particularly significant in Bangladesh as the insurance penetration remains low. By utilizing the large reach of banking institutions across urban and rural areas, Bancassurance is expected to improve awareness and accessibility to insurance solutions for individuals and businesses alike.

Recognizing the potential of Bancassurance in strengthening the insurance market, Reliance Insurance is hopeful about further regulatory advancements. We hope that IDRA will soon approve additional products, such as Marine Cargo and Fire Insurance for SMEs, through this distribution model. The expansion of Bancassurance to include a wider range of insurance products will not only enhance financial protection for businesses but also contribute to the overall growth of the insurance sector in Bangladesh.




Bancassurance agreement signing ceremony between Reliance Insurance and City Bank



Bancassurance agreement signing ceremony between Reliance Insurance and Prime Bank

# Strengthening Climate Resilience for Farmers and Dairy Producers

Reliance Insurance PLC took an important step toward supporting climate resilience in Bangladesh's agricultural sector by introducing Area Yield Index Insurance (AYII) as a pilot project for various crops in late 2022. This innovative insurance solution uses historical yield data to establish benchmark yields for specific crops, with payouts triggered when actual post-harvest yields fall below a predetermined threshold. In doing so, the product offers farmers meaningful financial protection against climate-related production losses.

With technical assistance from PULA, the Company expanded coverage to key seasonal crops, including potatoes, Boro rice, and Aman rice, thereby extending protection to a large number of farmers across Bangladesh. This initiative reflects Reliance Insurance's continued commitment to promoting sustainable agriculture and enhancing the resilience of vulnerable farming communities.

In parallel, the Company also explored the development of climate-responsive solutions for the livestock sector, including a proposed Parametric Heat Index Insurance product for milking cows. The concept was designed to address the adverse impact of extreme weather conditions, particularly prolonged heat stress, on milk production. By leveraging reliable satellite-based data and a transparent parametric structure, the proposed product aimed to provide dairy farmers with timely and objective financial support.

However, in 2025, in light of the increasing adverse effects of climate change and the evolving risk dynamics affecting both crop and livestock segments, the Company adopted a prudent wait-and-see approach with regard to further expansion of these initiatives. This measured stance was intended to allow for a more comprehensive assessment of product sustainability, technical feasibility, and long-term viability under changing environmental conditions.

Reliance Insurance remains positive about the future potential of both crop and livestock insurance. The Company continues to view these products as important instruments for strengthening financial resilience in the agricultural sector and remains committed to pursuing appropriate opportunities to continue and enhance such initiatives in the years ahead.



Discussion with farmers along with Swisscontact

# Our Business Model

Our business model is built on a disciplined approach to risk management, customer-centricity, and sustainable financial growth. We create value by protecting our clients against uncertainty, while efficiently managing premiums and investments to ensure long-term stability and profitability.

### CLIENTS AT THE CORE

Clients are the foundation of our business. We go beyond traditional insurance services by focusing on trust, transparency, and long-term relationships. Our goal is to provide complete risk solutions that ensure peace of mind and business continuity.

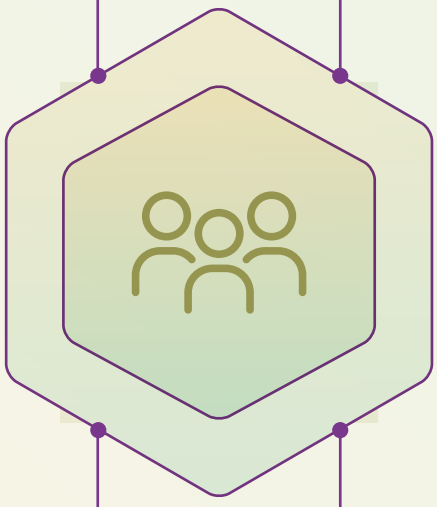
## CORE BUSINESS PROCESS

### RISK ASSESSMENT & PRICING

We evaluate risks using data, expertise, and market insights. Our underwriting ensures premiums are fair, competitive, and aligned with each level of risk.

### RISK POOLING & PORTFOLIO MANAGEMENT

We distribute risks across a broad pool of policyholders. This approach improves stability, enhances loss prediction, and keeps insurance solutions affordable.



### CLAIMS & LOSS HANDLING

We ensure prompt and fair claims settlement through a structured process. This maintains accuracy, reduces fraud, and builds long-term trust with clients.

### PREMIUM MANAGEMENT & INVESTMENT

Premiums are carefully managed and invested in secure, diversified instruments. This strengthens financial stability, generates returns, and ensures liquidity for future claims.

### STRATEGIC POSITIONING

We position ourselves as a client-focused, reliable, and forward-looking insurer. By combining strong risk management, operational efficiency, and continuous innovation, we aim to deliver sustainable value to all stakeholders.

## Support Ecosystem

**Our business is supported by a strong ecosystem that enhances efficiency and innovation:**

**PRODUCT PORTFOLIO:**

A wide range of insurance solutions including health, motor, marine, property, and engineering.

**INNOVATION:**

Continuous development of products based on customer feedback and market trends.

**HUMAN CAPITAL**

Investment in employee training and professional development.

**SOCIAL RESPONSIBILITY**

Active contribution to community development and social welfare initiatives.

## Financial Structure

### REVENUE STREAMS

We generate income from insurance premiums and returns on diversified investments.

### COST STRUCTURE

Claims and related expenses, acquisition costs, administrative overheads, and taxes.

**Our disciplined financial management ensures profitability while maintaining strong reserves for future obligations.**

## Business Foundation

### KEY ACTIVITIES

Marketing, underwriting, claims management, investment operations, and compliance.

### CUSTOMER SEGMENTS

Individuals, businesses, industries, institutions, and rural communities.

### VALUE PROPOSITION

Reliable protection, financial security, and peace of mind.

### CHANNELS

Branches, agents, digital platforms, and social media.

### CUSTOMER RELATIONSHIPS

Personalized service combined with digital accessibility and ongoing engagement.

### KEY PARTNERS

Reinsurers, strategic partners, and community organizations.

# Brief Profile of the Directors



## Shahnaz Rahman
Chairman

Ms. Shahnaz Rahman is a visionary Director of the Company with decades of experience in steering organizational strategy and fostering high-impact businesses. Under her guidance and leadership, Reliance has excelled in all fields, surpassing all its previous performance.

Ms. Rahman is current Chairman of Reliance Insurance PLC.

| Types of Director |
|---|
| Non-executive Director |
| Representative of Trinco Limited |
| **Committee Membership** |
| Member of Investment Committee |
| Member of Appeal Committee of Director Election |
| **Appointment Date** |
| 10-02-1998 |
| **Last Re-Elected Date** |
| 31-03-2024 |

**Directorship and Engagement other than Reliance Insurance PLC**

**Chairman**

Transcom Group

**Director**

Transcom Beverages Limited
Bangladesh Lamps Limited
Transcom Foods Limited
Transcom Electronics Limited
Transcom Cables Limited
Eskayef Bangladesh Limited
Transcom Mobile Limited
Transcom Distribution Co. Limited
Bangladesh Electrical Industries Limited
Transcom Consumer Products Limited
Trinco Limited
Transfin Trading Limited
Mediastar Limited
Tea Holdings Limited
Mediaworld Limited



# Farhana Karim

Vice-Chairman

Ms. Farhana Karim is a successful entrepreneur with many years of experience in managing diversified business verticals covering automotive, real estate, lubricant, industrial solutions, technology, sea fishing and facility management.

Ms. Karim has completed her graduation from Independent University of Bangladesh (IUB) and she is member of various organizations and clubs.

Ms. Karim is current Vice-Chairman of Reliance Insurance PLC.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Rangs Limited |
| **Committee Membership** |
| Member of Audit Committee |
| Member of Investment Committee |
| **Appointment Date** |
| 16-05-2023 |
| **Last Re-Elected Date** |
| N/A |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Chairman**<br>Rancon British Motors Limited<br>Rancon Developments Limited<br>Moto Industries Limited<br>Rancon Magnum Limited<br>Ranks Petroleum Limited |
| **Managing Director**<br>Rancon Holdings Limited<br>Rancon Property Management Limited<br>Insignia BD Limited |
| **Director**<br>Rancon Industrial Solutions Limited<br>Rancon Sea Fishing Limited<br>Garda Shield Security Services Limited |



# Shamsur Rahman

Director

Mr. Shamsur Rahman is an accomplished Senior Director of the Company with decades of expertise in leading organizational transformation, strategic action and fostering positive changes across diverse industries. Mr. Rahman remains passionate about leveraging innovative solutions to navigate complex challenges and propel business success.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Self |
| **Committee Membership** |
| Member of NRC Committee |
| **Appointment Date** |
| 20-03-1988 |
| **Last Re-Elected Date** |
| 30-03-2023 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Director**<br>Bangladesh Lamps Limited<br>Mediaworld Limited<br>Transcom Electronics Limited<br>Mediastar Limited<br>Marina Tea Co. Limited<br>Monipur Tea Co. Limited<br>M. Rahman Tea Co. Limited |



# Rajiv Prasad Shaha

Director

Mr. Rajiv Prasad Shaha is a Bangladeshi business entrepreneur. He has been at the forefront of a welfare organization in Bangladesh named Kumudini Welfare Trust of Bengal (BD) Limited for the last 22 years, and currently holding the position of Chairman and Managing Director of the Trust.

Mr. Shaha is the grandson of the great philanthropist Rai Bahadur Ranada Prashad Shaha (R. P. Shaha), the founder of Kumudini Welfare Trust of Bengal (BD) Limited.

Besides his corporate identity, Mr. Shaha is also a keen golfer and a very widely travelled individual.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Kumudini Welfare Trust of Bengal (BD) Limited |
| **Committee Membership** |
| Chairman of Investment Committee |
| Member of Election Management Committee of Director Election |
| **Appointment Date** |
| 30-07-2000 |
| **Last Re-Elected Date** |
| 25-03-2025 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Chairman & Managing Director**<br>Kumudini Welfare Trust of Bengal (BD) Limited<br>Kumudini Pharma Limited |
| **Independent Director**<br>LafargeHolcim Bangladesh PLC |



# Imran Faiz Rahman

Director

Mr. Imran Faiz Rahman is a Strategically-minded Company Director with over three decades of diverse experience in leading organizational transformation and driving growth initiatives. Skilled in optimizing operational frameworks and enhancing team performance to meet corporate objectives.

Mr. Rahman holds a BBA from Xavier University, USA.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Arlinks Limitd |
| **Committee Membership** |
| Member of Audit Committee |
| Member of Election Management Committee of Director Election |
| **Appointment Date** |
| 04-03-2012 |
| **Last Re-Elected Date** |
| 31-03-2024 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Chairman & Managing Director**<br>Imaan Cold Storage Limited |
| **Managing Director**<br>Arlinks Limited |
| **Director**<br>R. R. Cold Storage Limited<br>Aris Holdings Limited<br>R R Estates Limited<br>Mediastar Limited |



# Iftekharul Huq

Director

Mr. Iftekharul Huq obtained his graduation in Economics from George Mason University in Virginia, USA. After that he worked for Bangladesh Enterprise Institute as a Research Assistant on the "Counter Terrorism Policy" project. He did internships at Grameenphone and Airtel.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of FinAccord Trading Limited |
| **Committee Membership** |
| Member of Investment Committee |
| Member of Election Management Committee of Director Election |
| **Appointment Date** |
| 30-04-2017 |
| **Last Re-Elected Date** |
| 25-03-2025 |



# Samira Alam

Director

Ms. Samira Alam after obtaining her BSc honors in Electrical and Electronic Engineering and Master in Satellite and Radio Communication from King's College University of London, she took a year training at Tyser & Co, an Insurance and Reinsurance Broker and an underwriting company for Lloyds Banks Plc, UK. Later, she moved on to Investment Banking and worked for several years at Goldman Sachs and Nomura International. Ms. Alam has a vast client base including Reuters, Bloomberg, Lloyds Bank Plc, Berclays Bank, Bank of America Merrill Lynch, European Space Agency, London Stock Exchange, New York Stock Exchange, Deutche Bank and BP Oil. She is passionate about mathematics and spent the last few years working as an adjunct lecturer in Applied and Business Mathematics at the American University of Iraq, Suleymani. Ms. Alam has completed her Certification on Entrepreneurship and Sustainable Business Strategy from Harvard Business School, USA.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of General Produce International Limited |
| **Committee Membership** |
| Member of Investment Committee |
| **Appointment Date** |
| 12-07-2020 |
| **Last Re-Elected Date** |
| 31-03-2024 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Chairman**<br>General Produce International Limited |



# Zaraif Ayaat Hossain

Director

Mr. Zaraif Ayaat Hossain holds the position of Head of Strategy & Transformation-Corporate in Transcom Ltd as a part of the Transcom Corporate team. He previously served as the Head of Marketing and HR for Transcom's subsidiary, Transcom Consumer Products Ltd, PepsiCo's first snacks franchise in the world.

Mr. Hossain was also chosen by the world's leading talent investor, UK based Entrepreneur First, which has a 3% acceptance rate. He took part in their accelerator and co-founded AI startup Retail Pulse, where he serves as its co-founder and CEO. He has led the company to become seed funded by institutional venture capital from both the UK and India, and has Fortune 500 multinationals as customers.

He is also a Board Member on the Board of Counselors at his alma mater, Emory University. He serves as a member of the Faraaz Hossain Foundation. Mr. Zaraif has a Double Major Bachelor's Degree in Economics and Political Science from Emory University in Atlanta, USA.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Transfin Trading Limited |
| **Committee Membership** |
| Member of NRC Committee |
| **Appointment Date** |
| 27-07-2023 |
| **Last Re-Elected Date** |
| 25-03-2025 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Director**<br>Global Appliances Limited (A Joint Venture Company with Whirlpool) |



# Srimati Shaha

Director

Ms. Srimati Shaha, daughter-in-law of great philanthropist Rai Bahadur Ranada Prasad Shaha (R P Shaha), obtained her Bachelor of Arts degree from University of Dhaka. She started her campaign to uplift the empowerment of underprivileged women of our country from the very beginning of her married life and recognition of her contribution towards education and women empowerment received National award "Begum Rokeya Padak – 2005" of the Govt. of Bangladesh in 2006.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Kumudini Hancrafts |
| **Committee Membership** |
| Member of Selection Committee of Director Election |
| Member of Risk Management Committee |
| **Appointment Date** |
| 31-03-2016 |
| **Last Re-Elected Date** |
| 31-03-2024 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Director**<br>Kumudini Welfare Trust of Bengal (BD) Limited<br>Kumudini Pharma Limited<br>Bengal River Service (BD) Limited |
| **Member**<br>Ranada Prasad Shaha University Trustee Board<br>Bharateswari Homes Governing Body<br>Kumudini Nursing School & College |



# Sabrina Shama Chowdhury

Director

Ms. Sabrina Shama Chowdhury is a member of the Board of Reliance Insurance PLC since March 2025 nominated by Rangs Workshop Limited. Educated in United States of America, she graduated from SUNY Stony Brook, Harriman Business School. Her professional journey includes both international and national roles, notably in the executive office at BRAC in Bangladesh before joining the RANGS Group as a director.

Besides professional life, she got creative passion like short film making, writing travelling and culinary art.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Rangs Workshop Limited |
| **Committee Membership** |
| Member of Policyholder Protection & Compliance Committee |
| **Appointment Date** |
| 25-03-2025 |
| **Last Re-Elected Date** |
| N/A |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Director**<br>Deep Sea Fishers Limited<br>Fishers Shipyard Limited<br>Seamums Cold Storage Limited |



# Shahzreh Huq

Director

Ms. Shahzreh Huq is a results-oriented individual with vast experience in strategic planning and operational management. She is proficient in cultivating partnerships and enhancing team performance to drive company objectives. Ms. Haq remains eager to leverage analytical skills and innovative solutions to contribute to organizational success and growth.

**Types of Director**

Non-executive Director

Representative of Transcom Limited

**Committee Membership**

Member of Risk Management Committee

**Appointment Date**

02-04-2019

**Last Re-Elected Date**

30-03-2023

**Directorship and Engagement other than Reliance Insurance PLC**

**Director**

Eskayef Pharmaceuticals Limited
Transcom Consumer Products Limited
Transcom Distribution Co. Limited
Transcom Beverages Limited
Bangladesh Lamps Limited
Bangladesh Electrical Industries Limited
Transcom Electronics Limited
Mediastar Limited
Ayna Broadcasting Corporation Limited
Tea Holdings Limited



# Amiran Hossain

Director

Ms. Amiran Hossain was appointed as Director of Reliance Insurance PLC on July 24, 2017 nominated by Deep Sea Fishers Limited. After completion of her A-levels from Mastermind School, Dhaka, she enrolled at Bachelor of Science (Economics) at the State University of New York, USA. Beside academia, she involved herself with community and social organizations. She worked with Senator Mr. Ruben Diaz for the New York State Democratic Conference, Albany, New York in 2014. She has keen interest on Golf, Swimming, Tango, Guitar and Piano.

**Types of Director**

Non-executive Director

Representative of Deep Sea Fishers Limited

**Committee Membership**

Member of NRC Committee

**Appointment Date**

24-07-2017

**Last Re-Elected Date**

31-03-2024

**Directorship and Engagement other than Reliance Insurance PLC**

**Member**

Albany Stock Exchange Club

Albany Business Leaders Emerge, New York



# Abdullah Al Mamun FCA

Director

Mr. Abdullah Al Mamun is a business professional with more than 15 years of experience in multiple industries. He is now serving as the Director-Corporate Finance of Transcom Limited, one of the Largest & Professionally Managed Diversified Business Conglomerates in Bangladesh.

Mr. Mamun holds the position of Director-Corporate Finance of Transcom Distribution Ltd, Bangladesh's largest distribution and logistics company with operations in pharmaceuticals, consumer brands and diagnostic devices. Transcom Distribution is proud to have strong bonds with multinational giants, L'Oréal, Novo Nordisk, Servier, Abbott, Kraft Heinz, Unilever International and Mars among others.

Mr. Mamun is also the Director-Corporate Finance of Transcom Consumer Products Ltd, PepsiCo's first snacks franchise operation in the world.

Prior to joining Transcom family in 2007, he served A. Qasem & Co, Chartered Accountants, an associated firm of PricewaterhouseCoopers (PwC) for 2 years.

He serves as the Member of the Executive Committee and Treasurer of the Faraaz Hossain Foundation.

Mr. Mamun is a Fellow Chartered Accountant of Institute of Chartered Accountants of Bangladesh (ICAB) and holds a Masters in Commerce degree. He also served as a faculty member of ICAB from 2006 to 2014.

| Types of Director |
| --- |
| Non-executive Director |
| Representative of Trancom Electronics Limited |
| **Committee Membership** |
| Member of Selection Committee of Director Election |
| Member of Policyholder Protection & Compliance Committee |
| **Appointment Date** |
| 29-06-2021 |
| **Last Re-Elected Date** |
| 25-03-2025 |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Director**<br>Transcom Limited<br>Transcom Distribution Limited<br>Transcom Consumer Products Limited |



# Md. Habibur Rahman Mollah FCA

Independent Director

Mr. Habibur Rahman Mollah, a fellow member (FCA) of the Institute of Chartered Accountants of Bangladesh was appointed as Independent Director of the Board of Reliance Insurance PLC on July 28, 2021. He completed his graduation and post-graduation degree in Accounting from the Dhaka University and qualified himself as a Chartered Accountant from the Institution of Chartered Accountants of Bangladesh. He carries over 38 years of experience of serving the key positions in the areas of corporate and financial management in various capacities including Chief Operating Officer, Executive Director, Chief Financial Officer etc. with multi-disciplinary business organizations like Transcom Group, Crown Cement Group, Rahimafrooz Group, Meghna Group of Industries and Bangladesh Rural Electrification Board. Mr. Mollah was Director of the Board of IDLC Finance Limited for about 7 years from 2006 to 2013.

| **Types of Director** |
| --- |
| Independent Director |
| **Committee Membership** |
| Chairman of Audit Committee |
| Chairman of Policyholder Protection & Compliance Committee |
| Chairman of Risk Management Committee |
| **Appointment Date** |
| 28-07-2021 |
| **Term of Extension** |
| Second Tenure Continuing |



# Maria Howlader FCA

Independent Director

Ms. Maria Howlader was appointed as an Independent Director on the Board of Reliance Insurance PLC on 30 October 2024. She is the Founder & Managing Partner of Howlader Maria & Co., Chartered Accountants, the first female-founded CA firm in Bangladesh.

Before founding her practice, she was a partner at a reputed CA firm affiliated with PwC and Ernst & Young (EY), where she worked for almost 11 years. With over 19 years of experience in Bangladesh's accounting, taxation, and audit sectors, she has supported startups, foreign companies, and local conglomerates. Her expertise includes auditing, accounting, tax consultancy, and advising on corporate transactions, with a strong focus on solving complex challenges through accounting.

She has developed expertise in corporate structures, international group transactions, mergers and acquisitions, and facilitating foreign businesses in Bangladesh. Her advisory work spans manufacturing, construction, IT, government projects, retail, travel, media, and marketing, and she also supports private clients, SMEs, and women entrepreneurs.

She is the President of the Institute of Chartered Accountants of Bangladesh (ICAB) for 2025, and previously became its first female Vice President in 2024. She has been a Council Member since 2019.

She is the first female Director on the Board of the Japan-Bangladesh Chamber of Commerce & Industry (JBCCI) and serves as its Secretary General. She also chaired the Women Leadership Committee of the South Asian Federation of Accountants (SAFA) during 2021–2022, promoting women's leadership.

Ms. Maria has served as a faculty member at ICAB, contributed to its committees, and is a frequent speaker at national and international forums on taxation, doing business in Bangladesh, company law, and related topics.

| Types of Director |
| --- |
| Independent Director |
| **Committee Membership** |
| Member of Audit Committee |
| **Appointment Date** |
| 30-10-2024 |
| **Term of Extension** |
| First Tenure Continuing |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Founder & Managing Partner**<br>Howlader Maria & Co., Chartered Accountants (Member Firm of KRESTON & Global) |



# Mohammad Zahid Hossain FCA

Independent Director

Mr. Mohammad Zahid Hossain was appointed as an Independent Director on the Board of Reliance Insurance PLC on 30 October 2024.

He is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB) since 2002. He is a Full Member of CPA Australia, and holds the designation of Chartered Global Management Accountant (CGMA).

With over 25 years of professional experience, he has served as CFO in various national and multinational companies, handling Financial Reporting, direct and indirect taxation, strategic planning, risk management, finance, and corporate & legal affairs. He served as a Board Member of BAPEX (Bangladesh Petroleum Exploration and Production Company Limited) for over 5 years until August 2020, contributing to financial control, project feasibility, audit, and compliance.

Mr. Hossain is a recognized writer for financial journals and national English dailies at home and abroad, frequently appears on TV programs discussing business and economic issues, and moderates international webinars. He is actively involved in standing and non-standing committees of ICAB and is a member of the South Asia Area Committee of CIMA.

He also serves as a part-time faculty member (Associate Professor) at a private university in Bangladesh. He completed his Bachelor of Commerce from Dhaka University and ranked 13th in the commerce merit list in his Higher Secondary School (HSC) examination.

| Types of Director |
| --- |
| Independent Director |
| **Committee Membership** |
| Chairman of NRC Committee |
| **Appointment Date** |
| 30-10-2024 |
| **Term of Extension** |
| First Tenure Continuing |
| **Directorship and Engagement other than Reliance Insurance PLC** |
| **Director**<br>Bangladesh Lamps PLC.<br>Bangladesh Petroleum Exploration and Production Company Limited (BAPEX) |
| **Member**<br>CPA Australia<br>Chartered Institute of Management Accountants (CIMA)<br>Chartered Accountants in England and Wales (ICAEW) |



# Md. Khaled Mamun FCII (UK)

Chief Executive Officer

Mr. Md. Khaled Mamun joined Reliance Insurance in June, 2005 after 11 years of service in Reinsurance Department of the state owned Sadharan Bima Corporation. Apart from his Masters degree from Dhaka University, he also obtained Diploma in Development Planning from Academy for Planning and Development, Dhaka.

Professionally he is a Fellow Member of the Chartered Insurance Institute, United Kingdom and also an Associate Member of Bangladesh Insurance Academy, Dhaka. He received Advanced Non-Life Insurance & Reinsurance Training from Swiss Insurance Training Centre (SITC) of Swiss Re, Zurich, Switzerland and Reinsurance Management Training from Asian Re, Bangkok, Thailand. He has attended a number of seminars on Insurance and Reinsurance at home and abroad.

**Types of Director**

Managing Director and CEO

**Committee Membership**

Member of Investment Committee

**Appointment Date**

19-03-2014

**Last Re-Elected Date**

19-03-2026

**Areas of Expertise**

Reinsurance Management, Marketing
Insurance Act & Regulations,
Investment Management, Risk Management

**Directorship and Engagement other than Reliance Insurance PLC**

**Director**
National Housing Finance PLC (Representative of Reliance Insurance PLC)

**Fellow Member**
Chartered Insurance Institute, United Kingdom

**Associate Member**
Bangladesh Insurance Academy

# Board of Directors & its Committee

| Designation | Name | Nominated by |
|---|---|---|
| **CHAIRMAN** | Ms. Shahnaz Rahman | Trinco Limited |
| **VICE CHAIRMAN** | Ms. Farhana Karim | Rangs Limited |
| **DIRECTORS** | Mr. Shamsur Rahman | Self Shareholding |
| | Mr. Rajiv Prasad Shaha | Kumudini Welfare Trust of Bengal (BD) Limited |
| | Ms. Samira Alam | General Produce International Limited |
| | Mr. Zaraif Ayaat Hossain | Transfin Trading Limited |
| | Mr. Imran Faiz Rahman | Arlinks Limited |
| | Mr. Iftekharul Huq | FinAccord Trading Limited |
| | Ms. Sabrina Shama Chowdhury | Rangs Workshop Limited |
| | Ms. Srimati Shaha | Kumudini Handicrafts |
| | Ms. Shahzreh Huq | Transcom Limited |
| | Ms. Amiran Hossain | Deep Sea Fishers Limited |
| | Mr. Abdullah Al Mamun FCA | Transcom Electronics Limited |

| | | | |
|---|---|---|---|
| **INDEPENDENT DIRECTORS** | Mr. Md. Habibur Rahman Mollah FCA<br>Ms. Maria Howlader FCA<br>Mr. Mohammad Zahid Hossain FCA | | |
| **CHIEF EXECUTIVE OFFICER** | **Mr. Md. Khaled Mamun FCII (UK)** | | |
| **AUDIT COMMITTEE** | **Chairman**<br>Mr. Md. Habibur Rahman Mollah FCA | **Members**<br>Ms. Farhana Karim<br>Mr. Imran Faiz Rahman<br>Ms. Maria Howlader FCA | |
| **NOMINATION AND REMUNERATION COMMITTEE** | **Chairman**<br>Mr. Mohammad Zahid Hossain FCA | **Member**<br>Mr. Shamsur Rahman<br>Mr. Zaraif Ayaat Hossain<br>Ms. Amiran Hossain | |
| **INVESTMENT COMMITTEE** | **Chairman**<br>Mr. Rajiv Prasad Shaha | **Members**<br>Ms. Shahnaz Rahman<br>Ms. Samira Alam<br>Ms. Farhana Karim<br>Mr. Iftekharul Huq<br>Md. Khaled Mamun FCII (ex officio) | |
| **RISK MANAGEMENT COMMITTEE** | **Chairman**<br>Mr. Md. Habibur Rahman Mollah FCA | **Members**<br>Ms. Srimati Shaha<br>Ms. Shahzreh Huq | |
| **POLICYHOLDER PROTECTION & COMPLIANCE COMMITTEE** | **Chairman**<br>Mr. Md. Habibur Rahman Mollah FCA | **Members**<br>Ms. Sabrina Shama Chowdhury<br>Mr. Abdullah Al Mamun FCA | |
| **DIRECTOR ELECTION COMMITTEE** | **Election Management Committee Members**<br>Mr. Rajiv Prasad Shaha<br>Mr. Imran Faiz Rahman<br>Mr. Iftekharul Huq | **Selection Committee Members**<br>Ms. Srimati Shaha<br>Mr. Abdullah Al Mamun FCA | **Appeal Committee Member**<br>Ms. Shahnaz Rahman |

# Chairmen, Deputy Chairmen & CEOs Since Inception

The Company recalls with gratitude their contribution

## Chairmen































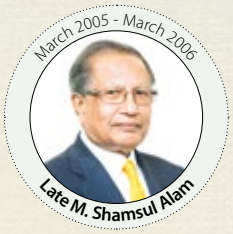









## Deputy Chairmen







## Managing Director & CEOs









# Corporate Organogram



# Geographical Presence of Reliance Insurance PLC

## DHAKA

### LOCAL OFFICE

| | | |
|---|---|---|
| **Md. Khairuddin Chowdhury, AMD** | Reliance Insurance Tower, (10th Floor)<br>Plot no. 11, Block CWS(C), South Avenue,<br>Gulshan-1, Dhaka 1212, Bangladesh | Phone: +88 0222 660 1940-42<br>Mobile: +880 1713- 379806<br>email: hob_lo@reliance.com.bd |

### KAWRAN BAZAR

| | | |
|---|---|---|
| **Shahana Yasmin, EVP** | Rupayan Trade Center (3rd floor), 114<br>Kazi Nazrul Islam Avenue, Bangla Motor,<br>Dhaka-1215 | Phone: +880 (2) 41031840-1<br>Mobile: +880 1755-550218<br>email: hob_kbz@reliance.com.bd |

### MOTIJHEEL

| | | |
|---|---|---|
| **Hara Krishna Roy, AMD** | Rahman Chamber (2nd floor), 12-13,<br>Motijheel C/A, Dhaka-1000 | Phone: +880 (2) 223387827<br>Mobile: +880 01755-638299<br>email: hob_mtj@reliance.com.bd |

### NARAYANGONJ

| | | |
|---|---|---|
| **Sanjoy Kumar Saha, SVP** | Padmo City Plaza-2 (1st Floor), Space #<br>05, 55/D, S. M. Maleh Road, Ward # 15,<br>Tanbazar, Narayanganj | Phone: +880 (2) 224431962<br>Mobile: +880 1847-214711<br>email: hob_ngj@reliance.com.bd |

### NEW MARKET

| | | |
|---|---|---|
| **Md. Nurul Amin, EVP** | Star Palace Tower (7th Fl.), 66-67 Elephant<br>Road Dhaka-1205 | Phone: +880 (2) 223369449,<br>Mobile : +880 1713-440981<br>email: hob_nmk@reliance.com.bd |

### MOHAKHALI

| | | |
|---|---|---|
| **Khan Md. Tofail, EVP** | M.H.B. Bhaban (2nd floor), 94, Mohakhali<br>C/A, Dhaka-1212 | Phone: +880 (2) 222286872<br>Mobile : +880 1713-185581<br>email: hob_mhk@reliance.com.bd |

### VIP ROAD

| | | |
|---|---|---|
| **AKM Mahbub Uzzaman, EVP** | SEL Trident Tower (8th floor), 57 Purana<br>Paltan Line, Dhaka -1000 | Phone: +880 (2) 222224021,<br>Mobile: +880 1716-618370<br>email: hob_krl@reliance-bd.com |

### UTTARA

| | | |
|---|---|---|
| **Musleh Uddin Chowdhury, EVP** | A.K. Tower (L-4) Plot # 113/C, Road # 07,<br>Sector # 04, Uttara Model Town, Uttara,<br>Dhaka-1230. | Phone: +880 (2) 48956076<br>Mobile: +880 1755-638293<br>email: hob_utr@reliance.com.bd |

### MOGHBAZAR

| | | |
|---|---|---|
| **Mohammed Mostafa, SVP** | Dom-Inno Benvenito (4th Floor), 217,<br>217A Outer Circular Road, Moghbazar,<br>Dhaka-1217 | Phone: +880 (2) 48312798<br>Mobile: +880 1713-440993<br>email: hob_mgb@reliance.com.bd |

### BIJOYNAGAR

| | | |
|---|---|---|
| **A. K. M. Shafayet Ullah, SVP** | Akram Tower (6th floor)<br>15/5, Bijoynagar, Dhaka-1000 | Phone: +880 (2) 222221832,<br>Mobile:+880 1755-583780<br>email: hob_bjn@reliance.com.bd |

### BANGSHAL

| | | |
|---|---|---|
| **Mynul Haque Mizi, EVP** | Mahmud Tower (Lift-6), Level-7-E,<br>19, Siddique Bazar Lane, North South<br>Road, Bangshal, Dhaka-1000 | Phone: +880 (2) 223386225<br>Mobile: +880 1713-425953<br>email: mynul@reliance-bd.com |

### NARSHINGDI

| | | |
|---|---|---|
| **Md. Ibrahim, AVP** | C & B Road, Narshingdi-1600, | Phone: +880 (2) 9462677<br>Mobile: +880 1755-538003<br>email: hob_nsd@reliance-bd.com |

## CHATTOGRAM

### AGRABAD

**Md. Jamal Uddin Faruqui, EVP**

Aziz court (5th Floor)
88-90 Agrabad C/A, Chattogram-4100

Phone: +88 02333311319, +88 02333312221
Mobile: +880 1713- 276429
email: hob_agb@reliance-bd.com

### KHATUNGONJ

**S.M. Omar, SEVP**

304, Khatungonj,
Chattogram-4100

Phone : +880 (2) 333389420, 333355105
Mobile: +880 1713-106641
email: hob_ktj@reliance.com.bd

### JUBILEE ROAD

**Reaz Ahmed Siddiqui, EVP**

175, Jubilee Road,
Chattogram-4000

Phone: +880 (2) 333351766, 333366506
Mobile : +880 1713-100891
email: hob_jrb@reliance.com.bd

### CUMILLA

**Md. Nurul Haque, VP**

69/61, Nazrul Avenue (3rd floor)
2nd Kandirpar, Cumilla-3500

Phone: +880 (2) 334405917
Mobile: +880 1713-440974
email: hob_com@reliance-bd.com

## RAJSHAHI

### SIRAJGONJ

**Md. Rasheduzzaman**

Gour Bhaban (1st Floor), Munshi
Meherullah Sarak, Sirajgonj-6700

Phone: +880 (2) 588831362
Mobile: +880 1713-440998
email: hob_srj@reliance-bd.com

## MYMENSINGH

### Mymensingh

**Md. Halimuzzaman, DVP**

19, G. K. M. C. Saha Raod, (2nd floor)
Chotto Bazar, Mymensingh.

Phone: +880 (2) 996668432
Mobile: +880 1713-440995
email: hob_myn@reliance-bd.com

## KHULNA

### KHULNA

**Nilufa Yesmin**

141, Sir Iqbal Road,
Khulna-9000

Phone: +880 (2) 477725475
Mobile : +880 1313-430860
email: hob_kln@reliance-bd.com

### KUSHTIA

**Sk. A.H.M. Arefin, Deputy Manager**

Lovely Tower (4th Floor), 55/1,
N.S. Road, Kushtia 7000

Phone: +880 (2) 477783891
Mobile: +880 1713-400508
email: hob_kus@reliance-bd.com

### JASHORE

**Md. Monirul Islam, SVP**

7, Garikhana Road,
Jashore-7400

Phone: +880 (2) 477760079
Mobile: +880 1713-440986
email: hob_jes@reliance-bd.com

# Management Team



## Md. Khaled Mamun FCII (UK)

M.Sc, M. Demo, DDP, ABIA; Chartered Insurer
Chief Executive Officer

Mr. Md. Khaled Mamun joined Reliance Insurance in June, 2005 after 11 years of service in Reinsurance Department of the state owned Sadharan Bima Corporation. Apart from his Masters degree from Dhaka University, he also obtained Diploma in Development Planning from Academy for Planning and Development, Dhaka.

Professionally he is a Fellow Member of the Chartered Insurance Institute, United Kingdom and also an Associate Member of Bangladesh Insurance Academy, Dhaka. He received Advanced Non-Life Insurance & Reinsurance Training from Swiss Insurance Training Centre (SITC) of Swiss Re, Zurich, Switzerland and Reinsurance Management Training from Asian Re, Bangkok, Thailand. He has attended a number of seminars on Insurance and Reinsurance at home and abroad.



## Md. Shafiul Azam Khan

M.Sc, MBA, MIRM, ABIA
Deputy Managing Director

Mr. Md. Shafiul Azam Khan joined Reliance Insurance PLC as Deputy Managing Director on November 02, 2025. Prior to joining Reliance Insurance PLC, he served at the state-owned organization, Sadharan Bima Corporation (SBC) in various capacities since 1999. At the time of his voluntary departure from SBC, he was serving as Deputy General Manager and Zonal In-Charge of Rajshahi Zone.

In a career spanning over 26 years in SBC, he worked in the field of Reinsurance, Reinsurance Accounts, and overall operational management as Zonal Head.

Mr. Khan is a B.Sc (Honors), M.Sc in Mathematics from the Rajshahi University. Subsequently, he completed his MBA with a major in Marketing from the same university. He also earned a Master's degree in Insurance and Risk Management (MIRM) from the University of Dhaka and obtained ABIA from the Bangladesh Insurance Academy. He participated in number of seminars and professional workshops both at home and abroad, including Thailand, Switzerland and UK.



## Badal Chandra Rajbangshi

B.com (Hons), M.com, FCS, FCA
Chief Financial Officer

Mr. Badal Chandra Rajbangshi joined Reliance Insurance PLC in May, 2021 after 17 years of service in Finance & Accounts, Internal Audit & Compliance, Board Secretariat and Corporate Management of non-life Insurance Companies having foundation in the United Insurance Company Limited with over 11-year service experience in it. Before joining non-life insurance sector Mr. Rajbangshi was the Finance Coordinator of Canadian Resource Team (CRT) a Canadian Executive Agency of CIDA for around 6 years. Apart from his Masters degree with Honors in Accounting from the University of Dhaka, he also obtained Articleship from KPMG Rahman Rahman Huq, Chartered Accountants.

Professionally he is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB) and also a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He experienced various training courses, workshops and seminars at home and abroad and showed brilliant performance in diverse areas of Insurance under different capacities. Mr. Rajbangshi is a Member of different Standing & other Committees of ICAB and he is also a regular faculty of ICSB, ICAB and adjunct faculty for MBA in East West University.



## Md. Israfil

AMD & Head of Branch Coordination and Development

Mr. Israfil joined Reliance in March 13, 1989. He is the Head of Branch Co-ordination & Development Department. He is serving for a long period of 37 years. During his service life at Reliance, he has participated in various seminars and workshop at home and aboard. He has completed his Honours and Masters in Mathematics from the University of Chittagong.



## Mohammad Golam Kibria
AMD & Head of HR and Administration

Mr. Mohammad Golam Kibria has obtained MBA degree with major in HRM from IBA, University of Dhaka. In a career spanning over 13 years, he worked in the field of Human Resources, Training and Administration in differentiated industries. Prior to joining Reliance Insurance PLC in 2016, he served in TNT Express Bangladesh, ACI Limited and La Belle Fashion & Apparels Ltd in various capacities. He is a seasoned Human Resources professional with expertise of working in diversified areas like Performance Management, Process Optimization, OD, Training and general HR.



## Md. Sajedul Haque FCA
Head of Internal Audit and Compliance

Mr. Md. Sajedul Haque is the Head of Internal Audit and Compliance of Reliance Insurance PLC. Prior to rejoining Reliance Insurance, he worked for financial and FMCG industry. Earlier, Sajedul had served Reliance Insurance in different capacities, performing particularly as its Chief Financial Officer from 2018 to 2021. He also worked for Navana Pharmaceuticals Limited before venturing into insurance industry.

Sajedul has acquired extensive experience in the Insurance, financial and FMCG industry. He has worked across core internal controls and Governance, risk management, financial reporting, treasury, financial controls, budgeting and corporate tax management.

Sajedul is a Chartered Accountant and Fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB).



## Syed Qayem Hussain

AMD & Head of Spz. u/w, Marketing Service and Health Plan

Mr. Syed Qayem Hussain joined Reliance Insurance PLC in 2011 and presently discharging his responsibility as Head of Spz. U/W, Marketing Service and Health Plan. He has 20 years of experience work in the insurance industry. He has attended various training programs on Health Insurance, Liability Insurance and other programs on insurance in Bangladesh and abroad.

He has completed BBA from California State University, USA. He has qualified Certificate in Insurance (Marketing) from the Chartered Insurance Institute of UK.



## Md. Nazrul Islam

Senior Executive Vice President, HR & Administration

Mr. Md. Nazrul Islam joined Reliance Insurance PLC on 15 August 2006 as Vice President of the Human Resources & Administration Division. Prior to his joining Reliance family, he served as Manager of Human Resource Management at PRAN-RFL Group. Mr. Islam completed his Bachelor degree with Honors and Masters in Management from Dhaka University. He also obtained a Post Graduate Diploma in Personnel Management from Bangladesh Institute of Management. Throughout his professional career, Mr. Islam has participated in numerous seminars and training programs both at home and abroad, focusing on Management Development Initiatives, Labor Laws, Strategic HRM, and General Administration & Services.



## Md. Masud Rana
SEVP, Finance &  Accounts

Md. Masud Rana is a Senior Executive Vice President (SEVP) in the Accounts and Finance department at Reliance Insurance PLC, having joined in 2011. With over 30 years of experience, including 15 years in mid-level roles at firms like Bashundhara Group, he specializes in strategic financial management and process optimization. Over 30 years total, with 15+ years of prior management experience in Bangladeshi conglomerates (Bashundhara Group, Keya Group, Opex Shina Group). He obtained an MBA in Finance (University of Dhaka), a Master's in Management (National University), and is also pursuing a program at the Institute of Cost and Management of Bangladesh, which he has partly completed. His expertise Includes Strategic planning, financial control, and risk management.  Mr. Rana has been instrumental in shaping the financial strategy of Reliance Insurance since 2011. He experienced various training courses, workshops, and seminars.



## Sanjay Kumar Basak
SEVP, Finance & Accounts

Mr. Sanjay Kumar Basak has obtained his Masters with Honours in Accounting from Department of Accounting & Information System, University of Dhaka and also completed MBA majoring Finance from a reputed private university. He joined Reliance in 1995 as officer and currently discharging his responsibility as Chief of Finance & Investment. Mr. Basak has attended a number of training courses, workshops and seminars relating to Insurance, Risk Management, AML & CFT etc at home and abroad.



## Md. Abdul Matin
SEVP, Policy Issuing

Mr. Md. Abdul Matin started his career with Reliance Insurance PLC in 1993. With over 29 years' experience in Reliance, he is currently holding the position of Chief of the Department of Policy Issuing. He completed his Masters with Honours in Economics from Rajshahi University and attended a number of training courses at home and abroad.



## Md. Badar Ud Doza
EVP (VAT & Tax)

Mr. Md. Badar Ud Doza joined Reliance Insurance PLC in 31st December 2007. Prior to joining Reliance Insurance PLC, he worked a manufacturing company and Bashundhara Group at different mid-level management position for about 10 years.

Mr. Md. Badar Ud Doza completed his Matters degree in Accounting from Jagannath University. He has completed C.A (Inter) from a renowned C.A Firm. Mr. Doza also obtained ITP Certificate in the year 2012 form National Board of Revenue (NBR).

He carries with him a long 25 years of experience and also had opportunities to attend various training programs, seminars & workshop regarding VAT & Tax in home.



## Mohammad Mamunur Rashid
EVP & Company Secretary

Mr. Mohammad Mamunur Rashid joined Reliance in 2014 as Deputy Vice President. Before joining Reliance Mr. Rashid served in various organizations at mid level management positions. Mr. Rashid obtained his MBA with Marketing major from London School of Commerce, London, UK. At present he is perusing Chartered Secretary Certification from ICSB (Institute of Chartered Secretaries of Bangladesh).

Mr. Rashid attended various professional training at home and abroad.



## Abdul Kadir ACII
EVP, Reinsurance & Underwriting

Mr. Abdul Kadir, Chartered Insurer, joined Reliance Insurance PLC in November 2013 after 06 years of service in Bangladesh Air Force (BAF).

He received 'Reinsurance Management' Training from Asian Re, Thailand, and also attended the Trust Re's seminar on 'Reinsurance Treaty Optimization' at Colombo, Sri Lanka.

Academically he is an MA in English, and professionally an ACII (associate member) of the Chartered Insurance Institute, United Kingdom, and also an ASII (associate member) of Singapore Insurance Institute, Singapore.

Mr. Abdul is a part-time faculty member at the Department of Banking and Insurance, University of Dhaka.



## Bulbul Ahmmed
EVP & In-chagre, IT

Mr. Bulbul Ahmmed, before joining Reliance Insurance PLC on November 12, 2015 in the capacity of Vice President & In-charge in Software Department served in IBCS-Primax Software (BD) Ltd for about 6 years as Analyst Programmer at different development area as Customized ERP, Oracle EBS, SAP. Mr. Ahmmed has completed his Master of Science in Computer Science and Engineering (MSCSE) from United International University. He completed Professional Vendor Certification as Oracle Certified Professional (OCP) and Red Hat Certified Engineer (RHCE). He also completed various professional training as JAVA SE, Python with Django, PHP with Laravel and CCNA.



## Md. Ishaque
EVP, Claims

Mr. Md. Ishaque started his career with Reliance Insurance PLC in 1991. With his long and extensive experience in the insurance industry, he is currently serving as the Chief of the Claims Department.

Academically, he holds an M.Com in Accounting. Mr. Ishaque has attended numerous training courses in insurance both at home and abroad, including the "Comprehensive Technical Programme in General Insurance" conducted by the National Insurance Academy (NIA), Pune, India.

He was honored with the Tysers Award for successfully completing the Associate of Bangladesh Insurance Academy (ABIA) from the Bangladesh Insurance Academy, Dhaka.

# Top Branch Business Performers



## Hara Krishna Roy

**Assistant Managing Director & Head of Branch - Motijheel**

Mr. Roy has joined Reliance Insurance PLC in September 9, 1989. He has obtained bachelor of Science and Masters of Science from University of Dhaka in the year 1985 & 1986. He attended the marketing motivation course from BIA. He is currently discharging his responsibility as Head of Motijheel Branch.



## Ataur Rahman

**Assistant Managing Director - Local Office**

Mr. Rahman joined Reliance insurance in the year-2022, he worked 37 years for Green Delta Insurance Company Limited and service in various departments, He attended various seminar as well as received training on rules of insurance, re-insurance and claim at home and aboard.



## Md. Shamim Khan

**Assistant Managing Director - VIP Road Branch**

Mr. Khan joined Reliance Insurance PLC in 2021 as Assistant Managing Director. Before joining Reliance he worked as Senior Executive Director for 10 years from 2012 to 2021 in Green Delta Insurance Company Limited. He also served Rupali Insurance Co. Ltd. at different upper mid level Marketing position, lastly as Deputy Managing Director. Mr. Khan began his career with Karnaphuli Insurance Co. Ltd. as officer in 1986.



## Khairuddin Chowdhury

### Assistant Managing Director & Head of Branch - Local Office

Mr. Chowdhury prior to joining Reliance Insurance PLC in 2021, he served 22 years in various departments of the Green Delta Insurance Company Limited. He attended various number of seminars as well as training on insurance, re-insurance and claims at home and aboard. He is presently working as Head of Local office, Dhaka.



## Shahana Yasmin

### Executive Vice President & Head of Branch - Kawranbazar

Ms. Shahana joined Reliance Insurance PLC in 1995 as an Accounts Officer. She has obtained her Masters with Honours in Accounting from Department of Accounting & Information System, University of Dhaka. She attended a number of training courses and seminar relating to Insurance and Financial Management.



## S M Omar

### Senior Executive Vice President & Head of Branch - Khatungonj

Mr. Omar joined Reliance Insurance in the year 1988. He kept his footsteps in various departments like Underwriting & Accounts. He is completed Master's from Chittagong University. He also attended long Professional Courses from BIA and NIA (India). He has been serving as Head of Branch, Khatungonj, Chattogram since 2000.



## Khan Md Tofail

**Executive Vice President & Head of Branch - Mohakhali**

Mr. Tofail prior to joining as Head of Mohakhali Branch of Reliance Insurance PLC, he surfed in various departments of RIPLC like – Internal Audit, Branch Control, Underwriting and Re-insurance. He has completed BIA insurance diploma.



## Md. Nurul Amin

**Executive Vice President & Head of Branch - New Market**

Mr. Amin joined Reliance in 1988 as Development Officer and currently discharging his responsibility as Head of New Market Branch. He obtained his Masters with Honours in Bachelor of Social Science from University of Jagannath. He has attended a number of training courses at home and abroad.

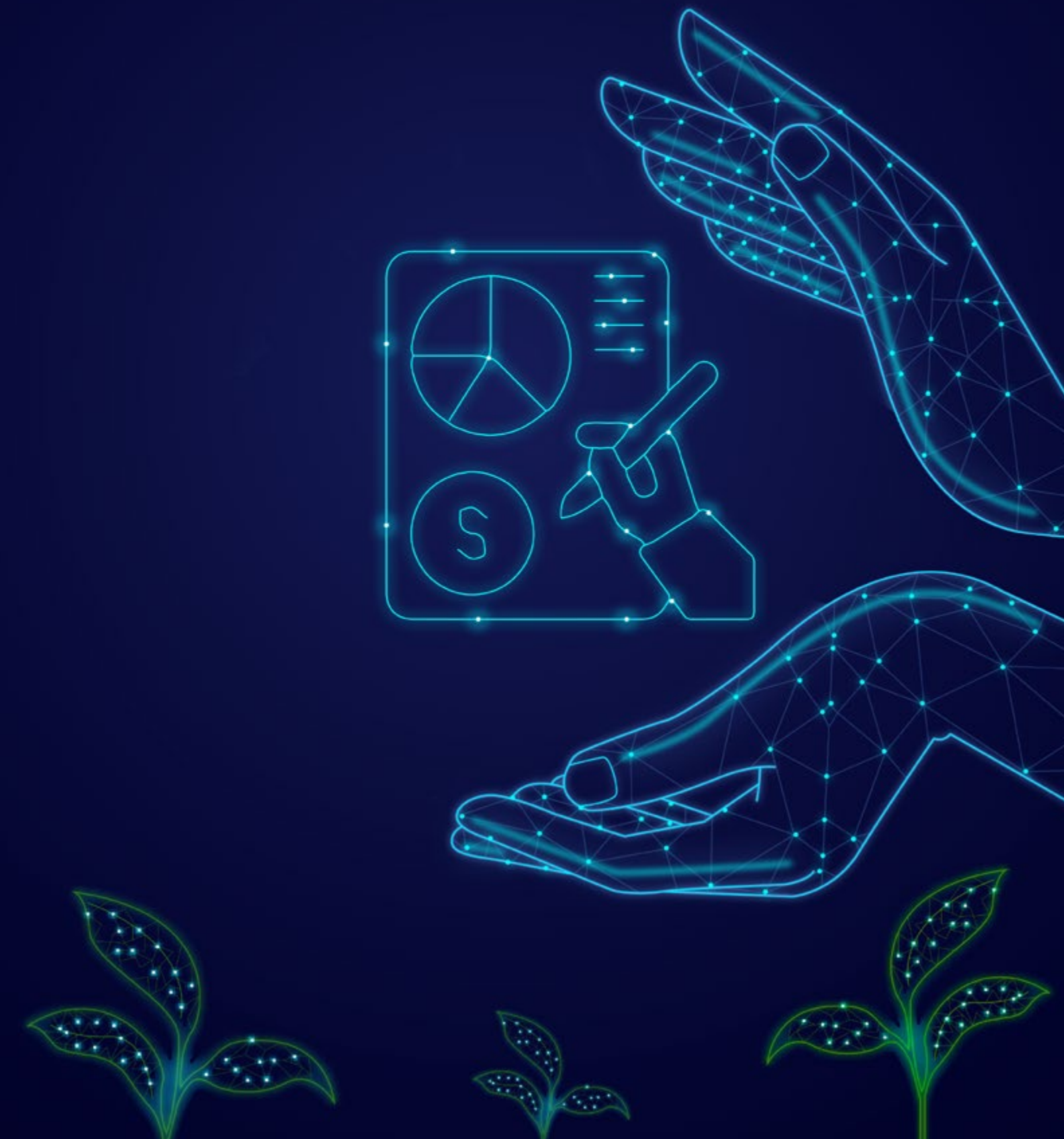


## Musleh Uddin Chowdhury

**Executive Vice President & Head of Branch - Uttara**

Mr. Chowdhury joined Reliance Insurance PLC in November, 2012. Prior to joining Reliance Insurance, he served for 24 years in various positions of Pragati Insurance Limited. Mr. Chowdhury completed his B.S.S. (Hon's) and M.S.S. (Department of Public Administration) form Chittagong University.

# REVIEW OF THE CHAIRMAN CEO AND DIRECTORS' REPORT



# MESSAGE FROM THE CHAIRMAN

**Reliance Insurance PLC's enduring success is rooted in the vision, values, and operational acumen of its founders and successive leadership generations.**

Shahnaz Rahman
Chairman



## Message from the Chairman
## Dear Shareholders,
## Ladies and Gentlemen,

It is with profound privilege and responsibility that I present the Chairman's Statement for the financial year 2025. This report underscores Reliance Insurance PLC's unwavering commitment to strategic resilience, exemplary governance, and sustainable value creation within an increasingly complex global and domestic economic landscape.

Throughout the year, the Company has fortified its position as a leading non-life insurer in Bangladesh, guided by a disciplined underwriting philosophy, prudent capital stewardship, and an unwavering commitment to responsible corporate citizenship.

### Heritage, Institutional Strength, and Capital Evolution

Founded in 1988 by visionary leaders, the Company was created with the purpose of delivering reliable risk protection to policyholders while contributing to the advancement of the national insurance ecosystem.

The Company commenced operations with a foundational capital of BDT 30 million, later augmented through an Initial Public Offering, raising an additional BDT 30 million. The resulting balanced ownership between sponsor shareholders and public investors has been a defining pillar of the Company's corporate identity.

Over the decades, the Company has consistently expanded its capital base through internal accruals. The current paid-up capital now exceeds BDT 1,051 million, with approximately BDT 991 million generated internally via retained earnings and bonus share capitalization. This conservative capital framework ensures long-term solvency, operational stability, and enduring shareholder value.

### Leadership Legacy and Governance Philosophy

Reliance Insurance PLC's enduring success is rooted in the vision, values, and operational acumen of its founders and successive leadership generations. Guided by ethical principles and a commitment to excellence, the Board continues to benefit from the insights of public shareholder representatives and independent directors, ensuring governance integrity, transparency, and stakeholder confidence.

The Company acknowledges the critical contributions of past executive leaders who transformed the founders' aspirations into a robust, market-leading, and professionally managed institution. This legacy remains the foundation of our strategic and operational ethos.

### Financial Position and Asset Quality

The Company maintained a robust balance sheet with disciplined asset allocation and strong liquidity.

This resilient asset base positions the Company to respond effectively to underwriting obligations, capital investment opportunities, and market volatility, reflecting disciplined financial management.

### Corporate Infrastructure and Investment Assets

The Thirteen Storied (+ three basements) Reliance Insurance Tower, strategically located in Gulshan-1, Dhaka, exemplifies the Company's commitment to operational excellence and asset optimization.

The Tower hosts Head Office and Local Office operations across the upper floors, while multiple commercial floors are leased to leading financial institutions, providing a stable and recurring income stream. Additional leasing arrangements are actively pursued to maximize asset utilization and long-term value creation.

Total assets

**BDT 15.16 billion**

Non-current assets

**BDT 8.12 billion**

Current assets

**BDT 7.03 billion**

Financial Assets

**BDT 7.89 billion**

### Strategic Performance Management

The Company operates under a rigorous performance governance framework structured around three strategic pillars:




Key Performance Indicators (KPIs) provide a measurable lens into operational efficiency, financial performance, and customer value creation:

- Policy renewal and retention metrics
- Customer acquisition efficiency
- Claim settlement performance
- Loss and combined ratio management
- Revenue productivity indicators
- Operating expense discipline

This data-driven approach ensures agile decision-making and sustainable competitive advantage.

### Role of the Board in Corporate Stewardship

The Board of Directors carries the ultimate responsibility for safeguarding shareholder interests and ensuring the Company's long-term sustainability.

While day-to-day operations are delegated to the Chief Executive Officer, the Board maintains rigorous oversight of strategy, risk governance, and regulatory compliance.

Specialized sub-committees, including Audit, Risk Management, Investment, Remuneration, and Compliance Committees, ensure detailed evaluation of operational, financial, and strategic matters. Performance reviews of the Board, committees, and individual Directors are conducted systematically to uphold the highest standards of governance and strategic insight.

### Profit Allocation and Capital Strengthening

The Company continues to pursue a disciplined dividend policy, balancing shareholder returns with capital preservation.

For 2025, the Board recommended:

Cash Dividend

**30%** **(BDT 315.48 million)**

This conservative allocation strategy reinforces solvency, mitigates risk exposure, and supports sustainable profitability.

### Inclusive Insurance and Social Impact

Reliance Insurance PLC remains committed to expanding financial inclusion across diverse socio-economic segments.

Through its branch network, the Company empowers SMEs by providing risk protection solutions that facilitate entrepreneurship and regional economic participation. Health insurance coverage has been expanded for both corporate and individual clients, and Bancassurance services are now offered through corporate agents of City Bank PLC and Prime Bank PLC, enhancing accessibility and convenience.

### Regulatory Environment and Market Governance

Premium rate frameworks are determined by the Central Rating Committee (CRC) under the authority of the Insurance Development & Regulatory Authority pursuant to the Insurance Act 2010.

The Company values regulatory initiatives that promote premium stability, healthy competition, and sustainable sectoral development.

### Capital Market Responsibility

In full compliance with statutory obligations, unclaimed and undistributed dividends are transferred to the Capital Market Stabilization Fund (CMSF), contributing to investor protection and capital market integrity.

### Innovation, Technology, and Product Strategy

Innovation remains central to the Company's long-term competitiveness. Management continuously monitors emerging risks, customer trends, and technological opportunities to refine product architecture and operational delivery.

The Company invests in advanced distribution channels, underwriting analytics, and digital platforms to enhance efficiency, customer experience, and market responsiveness.

### Human Capital and Organizational Excellence

Employees remain our most valuable asset. Continuous investment in skills, training, leadership development, and performance-based management ensures operational excellence, superior customer service, and sustained competitive advantage.

A collaborative, innovation-driven environment fosters knowledge sharing, professional growth, and organizational resilience.

### Business Environment and Future Outlook

The global and domestic economic environment remains dynamic, influencing insurance demand, capital flows, and regulatory frameworks.

Structural adjustments in reinsurance, distribution practices, and commission models—effective 1 January 2026—underscore the Company's commitment to ethical practices, regulatory compliance, and customer-focused service delivery.

While short-term growth may face adjustment pressures, the Company remains confident in achieving its strategic objectives through operational efficiency, product innovation, and enhanced customer engagement.

Shareholders Equity

**BDT 8,303 million**

Investment in Govt. Treasury Bond

**BDT 2,881 million**

Total Investment

**BDT 4,693 million**

### Acknowledgement

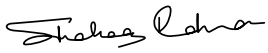
On behalf of the Board, I extend sincere gratitude to our shareholders, policyholders, banking partners, regulatory authorities, and all stakeholders for their continued trust and support.

I also express deep appreciation to the Board, management, and employees for their unwavering dedication and professionalism, which underpin the Company's ongoing success.

### Closing Reflection

The journey of Reliance Insurance PLC embodies a commitment to institutional excellence, ethical conduct, and sustainable value creation. Guided by strong governance, disciplined strategy, and forward-looking leadership, the Company is well-positioned to navigate future challenges while delivering long-term shareholder prosperity.

For and on behalf of the Board of Directors



**Shahnaz Rahman**
Chairman
Reliance Insurance PLC

# REVIEW OF THE CEO

**Our ethos is simple in the non-life business arena – let's do more for the same customers, who, in turn, become advocates and market our services on our behalf.**

**Dear Ladies and Gentlemen,**

The year 2025 has been both challenging and transformative for our company. We have seen an increase in loss occurrences, notably including the fire at Cargo Village of Dhaka Airport, followed by some big losses, which tested our risk management and operational resilience. Yet, our financial position remains sound, thanks to the robust practices and frameworks instilled by our predecessors and implemented under the diligent supervision of our Board of Directors.

Our founders' vision has left us with a culture of professionalism, discipline, and long-term thinking—that continues to guide every strategic decision we make. Despite the hurdles, we remain committed to creating sustainable value for our shareholders and stakeholders alike.

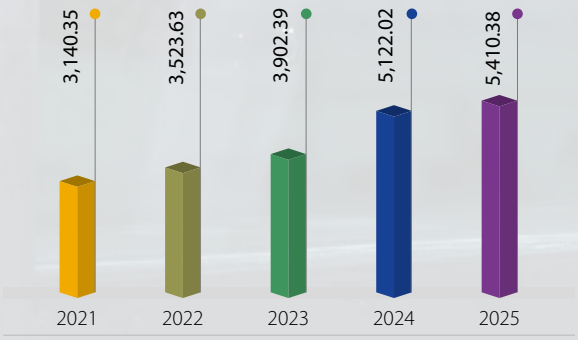
## Proactive Scenario Monitoring amid Geopolitical Volatility

In 2025, Reliance Insurance achieved a 5.63% growth rate, surpassing industry benchmarks despite a fragile business environment and geopolitical uncertainty across the globe. This was accomplished through proactive scenario monitoring and leveraging our competitive advantages.

Challenges included U.S. dollar austerity measures, exchange rate fluctuations, regulatory changes, increasing number of claims and political reforms. Yet, our focus on satisfying reinsurers, brokers, and customers remained unwavering, driving sustained growth.

Despite the evolving dynamics and challenges in the business environment, Reliance achieved a significant milestone by generating gross premium income of BDT 5,410.38 million. This performance reflects the resilience of our business model and the strength of our operational strategies.

**Gross Premium** BDT mn




In the 2025 our Cargo portfolio demonstrated remarkable growth of 9.10% while the fire portfolio, the largest contributor in terms of premium volume, recorded a steady growth of 7.92%. These results underscore our continued focus on portfolio diversification, prudent underwriting, and sustained market expansion.







Gross premium

**5,410.38**

2024

**5,122.02**

BDT mn



Net premium

**1,597.19**

2024

**1,453.31**

BDT mn



Investment income

**766.86**

2024

**615.89**

BDT mn



NAV per share

**78.95**

2024

**69.59**

BDT



NOCFPS

**6.84**

2024

**1.66**

BDT



Profit before tax

**1,330.63**

2024

**1,369.04**

BDT mn



Profit after tax

**885.25**

2024

**958.84**

BDT mn



Underwriting profit

**701.13**

2024

**797.79**

BDT mn

### World's Insurance Market Review

Global commercial insurance rates fell by an average of 4% in the fourth quarter of 2025, marking the sixth consecutive quarterly decrease after seven years of steady increases, according to the Marsh Global Insurance Market Index. All regions except the United States recorded declines, with the Pacific region seeing the largest drop at 12%, followed by IMEA at 10%. Latin America and the Caribbean, the UK, and Canada each saw rates fall 7%, while Europe declined 6% and Asia 5%.

Property insurance rates declined sharply worldwide, down 9% overall, with double-digit drops in the Pacific (14%), Latin America and the Caribbean (12%), IMEA (11%), and the UK (10%). Casualty insurance was the only major line to increase, rising 4% globally, driven almost entirely by a 9% increase in the U.S. due to elevated claim frequency, severity, and large jury awards. Financial and professional lines rates fell 4% globally, while cyber insurance rates dropped 7% across all regions. The continued softening in the market is attributed to growing competition among insurers, a favorable loss environment, attractive reinsurance pricing, and increased market capacity.

Empowering Communities: Reliance in Action

At Reliance, we believe that true success goes beyond financial performance. Corporate Social Responsibility (CSR) is therefore embedded in our corporate philosophy and guides our approach to sustainable development.

Our initiatives focus on empowering communities through rural transformation projects and supporting healthcare and education by assisting hospitals and other social institutions. Through these efforts, we have positively impacted thousands of lives. We remain committed to being a responsible leader in the insurance sector, promoting sustainable growth while contributing to the well-being of society.

### Fostering Talent and Ensuring Leadership Continuity

The insurance industry thrives on the strength of its human capital. Unlike static assets, the expertise, adaptability, and dedication of our employees drive innovation, enhance customer satisfaction, and contribute directly to our market success. At Reliance, we continuously invest in employee development through targeted training and professional development programs that enable our people to navigate evolving regulatory requirements, leverage technological advancements, and deliver exceptional service that exceeds customer expectations.

We firmly believe that investing in human capital is not only a moral responsibility but also a strategic imperative. By nurturing talent, fostering leadership capabilities, and implementing effective succession planning, we unlock the full potential of our workforce.

### Nation-Building Through Contribution to the Government

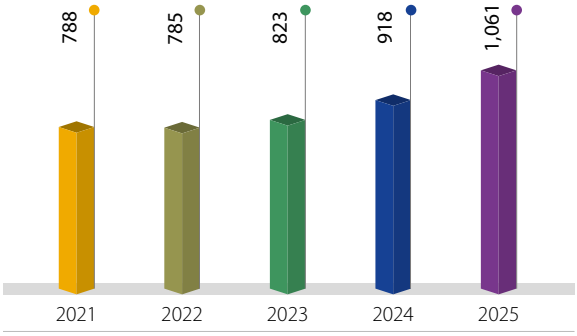
Reliance has consistently been one of the highest taxpayers among non-life insurance companies in the country.

Through our regular and substantial contributions, we play a meaningful role in supporting the national economy and strengthening the government treasury.

In 2025, Reliance contributed BDT 1,061 million to the national exchequer in the form of tax, VAT, stamp duty, and other statutory payments, reaffirming our commitment to responsible corporate citizenship and nation-building.

### Contribution to the National Exchequer and to the Economy

BDT mn



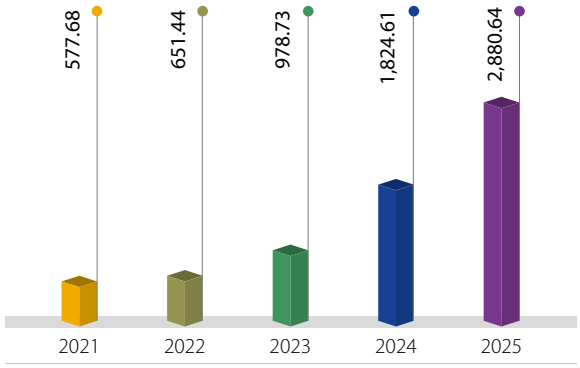

### Advancing a Stable and Sustainable Regulatory Environment

At Reliance, compliance forms the cornerstone of our operations. We strictly adhere to the regulatory frameworks and guidelines set by the Insurance Development and Regulatory Authority (IDRA), Bangladesh Bank, and the Bangladesh Securities and Exchange Commission (BSEC). This commitment ensures strong corporate governance, operational transparency, and the delivery of reliable, high-quality services.

Beyond meeting regulatory requirements, we foster a culture of proactive compliance and self-regulation. By consistently upholding the highest ethical and professional standards, we strengthen stakeholder confidence and contribute to a stable, resilient, and sustainable financial ecosystem while creating long-term value for our stakeholders.

### Investment in BD Govt. Treasury Bond

BDT mn




### Committed to Fast and Transparent Claims Processing

At Reliance, we go beyond simply providing insurance—we are committed to delivering exceptional customer service, especially when it comes to claims. During challenging times, we stand beside our customers, offering both emotional reassurance and financial support. Our dedication is reflected in simplified claim procedures, transparent communication, and swift resolutions, ensuring that our valued customers feel confident, secure, and supported at every step of their claims journey.

### Closing lines

Reliance Insurance PLC will continue to uphold excellence, embrace change, and strengthen relationships with all partners, ensuring growth that is both sustainable and impactful.

We sincerely thank our valued shareholders and the honorable members of the Board of Directors for their continued inspiration and support, which motivates us to excel.



**Md. Khaled Mamun FCII (UK)**
Chartered Insurer &
Chief Executive Officer

# Directors' Report to the Shareholders

**As per section 184 of the Companies Act 1994 and Corporate Governance Code (CGC) adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC)**

**Dear Shareholders, Ladies and Gentlemen,**

Assalamu Alaikum. The Board of Directors of Reliance Insurance PLC are pleased to welcome you at the 38th Annual General Meeting of Reliance Insurance PLC and place before you the Directors' Report along with the Audited Financial Statements and the Auditors' Report thereon for the year ended 31 December 2025 for your kind perusal and approval.

We express our sincere thanks and heartfelt gratitude to you for attending the 38th Annual General Meeting of the company.

## WORLD ECONOMY

The world continued to experience geopolitical tensions and armed conflicts during the year, with hostilities in the Middle East, most notably the prolonged confrontation involving Israel and Iran, and ongoing instability in South Asia affecting regional dynamics. These events, along with other security challenges in various parts of the world, have contributed to heightened uncertainty in global markets and investor sentiment.

At the same time, global economic growth remains modest and uneven. According to the International Monetary Fund's World Economic Outlook (October 2025), global output is projected to grow by around 3.2% in 2025 and 3.1% in 2026, suggesting resilience despite persistent uncertainty and elevated trade tensions. The United Nations also reports that growth is constrained by weak investment, trade fragmentation, and geopolitical risks, keeping expansion below pre-pandemic averages.

These economic headwinds-compounded by tariff pressures, trade disruptions, and ongoing conflicts- have resulted in a global environment marked by instability and subdued growth, which continues to affect confidence, trade and capital flows around the world.

## GLOBAL INSURANCE PERSPECTIVE

Global real premium growth in the insurance industry reached approximately 4.6% in 2024. Advanced markets recorded an average growth of 4.1%, led by North America at 5.2%, while Western Europe and the Asia-Pacific advanced markets achieved growth of 2.7% and 2.2%, respectively. Emerging markets outperformed advanced economies, posting growth of 6.7%, with China recording a notable 7.5% increase.

The global non-life insurance sector continues to improve in terms of profitability and economic sustainability. Underwriting performance benefited from easing inflationary pressures and firm premium rates during the year, and these favorable conditions are expected to persist through 2025 and 2026. Improved investment returns are also expected to further support overall profitability.

According to the Swiss Re Institute (SRI), global non-life premium growth is projected to reach a decade-high 4.3%, driven by the repricing of risk following elevated claims experience. However, as premium rates begin to moderate, global premium growth is forecast to soften to an average of 2.3% per annum in real terms during 2025–2026, compared to the 3.1% average growth of the previous five years. The active U.S. hurricane season is expected to push global insured natural catastrophe losses beyond USD 100 billion for the fifth consecutive year, which may delay the easing of property insurance pricing.

## BANGLADESH ECONOMY

Following the regime change in August 2024, the interim government has been operating under significant constraints, resulting in a challenging and uncertain business environment. The economy has faced heightened instability, with stress in the banking and financial sectors due to elevated levels of non-performing loans, creating concerns among depositors regarding the safety and recovery of their deposits.

Against this backdrop, the International Monetary Fund (IMF) has projected Bangladesh's real GDP growth at 3.8% in 2025, with inflation expected to remain elevated at around 10%. For 2026, GDP growth is forecasted to improve to 4.9%, while inflation is projected to moderate to 8.8%. These macroeconomic conditions continue to pose challenges for businesses while underscoring the need for prudent financial and risk management.

## BANGLADESH BANK

Bangladesh's foreign exchange reserves have fluctuated, recently hovering around the $ 23-$ 32 billion range (as of late 2025), down from highs near $48 billion in 2021, with figures varying slightly between reporting methods (gross vs. usable) but generally showing a decline influenced by

import pressures and increased remittance inflows, with recent reports citing figures around $33.20 billion Dec 2025. In 2025 the value of the taka has depreciated against USD as it was ranged from Tk. 119.48 to Tk. 122.35 from January 1 to December 10 of 2025. Bank's selling rate is higher by 1 Taka per USD.

Bangladesh Bank has authority under the Foreign Exchange Regulation Act, 1947 and related foreign exchange policy circulars to regulate outward remittances, including payments to foreign entities through licensed banks (Authorised Dealers). Among others, it includes foreign currency remitted to the non-resident reinsurers/ brokers. When any insurance company including SBC places reinsurance with a foreign reinsurer/broker abroad, the actual premium payment must be made in foreign currency.

## RIPLC'S PERSPECTIVE

Conceived in an environment of strict principles, ethics, high degree of transparency and guided by Hon'ble Board of Directors, Reliance has been conducting its business in the most disciplined way, adhering to all established rules and regulations and staying away from unhealthy practices which continue to be rife in the non-life insurance sector of Bangladesh.

Reliance's core business has grown due to its strong position in the power sector of Bangladesh, the underwriting of such risks require specialized knowledge, skill and reinsurance support.

A devastating fire occurred on Saturday, 18 October 2025 in the Cargo Village of Hazrat Shahjalal International Airport (HSIA) has affected largely the 4th quarter business of Reliance Insurance where around Tk. 40 crore gross claims have been anticipated and most of those are within the company's retention limit.

A tax deduction of 10% imposed on reinsurance premium remitted to non-resident reinsurers/intermediaries reduces their net technical premium, prompting them to revise reinsurance terms which is reflected in lower commission and/or higher premium rates at renewals.

## RELIANCE INSURANCE'S UPWARD JOURNEY

Established in 1988 by a group of eminent dignitaries and visionary business leaders of Bangladesh, Reliance commenced its journey with a modest capital injection of Tk. 60 million, equally contributed by the sponsors and the public subscribers. Over the years, the Company has demonstrated remarkable financial strength and sustainable growth. Today, it holds the highest paid-up capital in the non-life insurance sector of Bangladesh, exceeding Tk. 1,051 million. Notably, more than Tk. 991 million of this capital has been generated internally through retained earnings and bonus shares—reflecting prudent financial management, operational efficiency, and consistent profitability.

The strong foundation of the Company was laid by its legendary founders, including late Latifur Rahman, late Abdur Rouf Chowdhury, late Azimur Rahman, late Asadul Huq, late Jaya Pati, Mr. Habibullaha Khan, Mr. Shamsur Rahman, and Ms. Yasmin Khan. Their vision and values were diligently carried forward by the succeeding leadership—Ms. Shahnaz Rahman, Mr. Rajiv Prasad Shaha, late Rokiya Afzal Rahman, Ms. Zakia Rouf Chowdhury, Mr. Imran Faiz Rahman, and late Arshad Waliur Rahman—and are presently being upheld by the new generation leaders, namely Ms. Farhana Karim, Mr. Iftekharul Huq, Ms. Samira Alam, and Mr. Zaraif Ayaat Hossain. The Board has continually been strengthened by the contributions of public subscriber directors and independent directors, ensuring transparency, accountability, and sound corporate governance.

The Company's strategic direction and operational excellence were effectively guided by its distinguished Deputy Chairmen—late M. Shamsul Alam and late Anwarul Huq—and by its Managing Directors and Chief Executive Officers, including late M. Shamsul Alam, Mr. Akhtar Ahmed ACII, and most recently Mr. Md. Khaled Mamun FCII. Their dynamic leadership has played a pivotal role in transforming the founders' dreams into a resilient, progressive, and market-leading institution in the insurance industry of Bangladesh.

The cumulative successes of all the legends make the total assets to over Tk. 15.16 billion. The non-current assets arrived at over Tk. 8.12 billion, current assets over Tk. 7.03 billion wherein cash and cash equivalents is over Tk. 3.59 billion.

## RELIANCE INSURANCE TOWER AND OTHER FLOOR SPACES

The Reliance Insurance Tower, located at Plot No. 11, Bir Uttam A.K. Khandaker Road, Block CWS (C), South Avenue, Gulshan-1, Dhaka-1212, is now fully operational. The most beautiful modern commercial building comprises thirteen usable floors attractively designed to support both corporate operations and income-generating activities.

Reliance Insurance PLC currently occupies five floors (9th to 13th) to accommodate the operations of its Head Office and Local Office, ensuring centralized management, improved operational efficiency, and enhanced service delivery. Of the remaining space, six floors (3rd to 8th) have been leased to Jamuna Bank PLC for its back-office operations, contributing to a stable and recurring rental income stream. The 1st and 2nd floors has been leased to Dhaka Bank PLC with effect from 1 April 2026. Upon completion of the leasing arrangements, the Tower is expected to generate a steady stream of rental income while optimizing the utilization of the Company's real estate assets.

In addition to the Reliance Insurance Tower, the Company continues to optimize the utilization of its other owned office premises to ensure efficient asset management and sustainable income generation. The floor space at Shanta Western Tower, situated at 186, Bir Uttam Shawkat

Ali Road, Tejgaon Industrial Area, Dhaka-1208, formerly serving as the Company's Head Office until 31 December 2024—has now been fully leased to a listed company on a short term basis. This arrangement contributes to a notable rental income and improved return on property assets. Furthermore, the floor space at Aziz Tower, Agrabad, has been partially rented out, thereby generating additional recurring income while retaining flexibility for operational needs. The 4th-floor space at Rupayan Tower, Banglamotor, is currently being utilized as office premises to support the Company's ongoing business operations.

Through prudent management of its real estate portfolio, the Company continues to strengthen its asset base while ensuring optimal utilization and sustainable value creation for its stakeholders.

## RELIANCE'S INVESTMENT IN BGTB

Investments with fixed or determinable payments and fixed maturities that management has both the positive intent and the ability to hold until maturity are classified as Held-to-Maturity (HTM) investments. These investments are initially recognized at cost and subsequently measured at amortized cost in accordance with applicable accounting standards.

During the year 2025, the Company invested in Bangladesh Government Treasury Bonds (BGTB) with maturities of 5 and 10 years. The carrying amount of such investments stood at Tk. 2.88 billion as at 31 December 2025 compared to Tk. 1.82 billion in the previous year.

These investments represent a significant portion of the Company's risk-free fixed-income portfolio and are aligned with regulatory investment guidelines applicable to insurance companies in Bangladesh.

## RELIANCE'S INVESTMENT IN SHARES

As at 31 December 2025, Reliance Insurance PLC maintained a diversified portfolio of quoted and unquoted equity investments. In its portfolio, Reliance held notable 30.55 million quoted shares of IDLC Finance PLC at a cost of Tk. 262.72 million, with a fair value of Tk. 1,090.77 million at the reporting date. In addition, it held 6.20 million quoted shares of National Housing Finance & Investment PLC costing Tk. 41.15 million, with a corresponding fair value of Tk. 139.48 million as at 31 December 2025.

In its portfolio, Reliance also held 571,181 unquoted shares of Central Depository Bangladesh Ltd (CDBL), acquired at a cost of Tk. 1.57 million. As these shares are unquoted, they are carried at cost, subject to impairment assessment, if any, in accordance with applicable accounting standards.

Including other quoted equity investments, the total cost of the Company's share portfolio stood at Tk. 972.10 million, while the aggregate fair value amounted to Tk. 1,811.99 million as at 31 December 2025. The portfolio demonstrates prudent investment management, with substantial unrealized gains arising from the appreciation of quoted equity investments.

## INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)

The Insurance Development and Regulatory Authority (IDRA) is the statutory body that regulates, supervises, and promotes the insurance sector in Bangladesh to ensure sound practices, protect policyholders, and support sustainable industry growth. It issues regulatory guidelines, oversees compliance by life and non-life insurers, and has been putting serious efforts to improve transparency and governance in the market. IDRA, has put forward deep structural reforms in the insurance sector to fix governance failures, rescue distressed insurers, protect policyholders, and rebuild trust. IDRA is driving legal, institutional, financial, and digital reforms to receive insurance market and reverse very low rate of insurance penetration, now at 0.36%, down from 0.90% in 2010.

IDRA has also been working with institutional reforms including enactment of the Actuaries Act to support IFRS 17 implementation, establishment of an actuarial institute and preparation of Chartered Insurance Institute law to address quality manpower shortage. Very recently, on 23 December 2025, following consultation with the BIA, IDRA deactivated the agency licenses of all the non-life insurance agents and moved to discontinue agency commission with effect from 1 January 2026.

## BANGLADESH INSURANCE ASSOCIATION (BIA)

The Bangladesh Insurance Association (BIA) is the apex trade body representing private insurance companies in Bangladesh. Established in 1988, it serves as a collective platform for both life and non-life insurers operating in the country. BIA works to protect the interests of its member companies, promote the development of the insurance sector, and maintain professional and ethical standards within the industry. It also liaises with the government and regulatory authorities on policy matters, issues industry guidelines, and organizes training, seminars, and awareness programs to strengthen the insurance market in Bangladesh.

With a view to resisting unhealthy atmosphere in the non-life insurance sector, BIA, through its letter No. BIA-3(35)/2025-336 dated 18 November 2025, recommended to the Insurance Development and Regulatory Authority (IDRA) the suspension of agency commissions payable to non-life insurance agents, with a view to restoring discipline and financial stability in the sector.

## SADHARAN BIMA CORPORATION (SBC)

The Sadharan Bima Corporation (SBC) is the state-owned general insurance corporation of Bangladesh, established under the Insurance Corporation Act, 1973 (now Insurance Corporation Act, 2019). In addition to conducting general insurance business, SBC plays a statutory role as the sole national reinsurer in the country.

As per Section 16 of Insurance Corporations Act 2019

Sadharan Bima Corporation has the right to underwrite 100% of all public sector insurance business; although sharing such business with private sector insurance companies on 50:50 basis. Further-more as per Section 17(2) of the said Act, all insurance companies must obligatorily place 50% of their Reinsurance requirements with Sadharan Bima Corporation. These Regulatory empowerments have put Sadharan Bima in a very powerful monopolistic position.

However, it is evident from the trade agreement signed between the USA and Bangladesh Governments that the Insurance Corporation Act 2019 should be amended relaxing the above provision of law.

## RELIANCE PERFORMANCE

Now let me introduce you to the various performances, company profile and the overall activities of the company:

- During the year 2025, attained Gross Premium income was Tk. 5.41 billion as against Tk. 5.12 billion in 2024, an increase of 5.63% and attained Net Premium income was Tk. 1.59 billion as against Tk. 1.45 billion in 2024 – an increase of 9.90%.
- Underwriting profit stood at Tk. 701.13 million as against Tk. 797.79 million in 2024 – a decrease of 12.11%. The decrease of underwriting profit is mainly due to increase of net fire claims and cargo claims.
- Investment and other income was Tk. 766.86 million as against Tk. 615.89 million in 2024 – an increase of 24.51%.
- Total assets stood at Tk. 15.16 billion as against Tk. 13.93 billion in 2024, an increase of 8.85%; Fixed assets stood at Tk. 3.43 billion from Tk. 3.01 billion in 2024 (increased by 14.25%).
- Investments stood at Tk. 4.69 billion from Tk. 3.60 billion in 2024 (increased by 30.16%) and Cash and cash equivalents stood at Tk. 3.60 billion from Tk. 3.61 billion in 2024 (decreased by 0.50% due to reinsurance premium payment was in higher side).
- Profit before tax stood at Tk. 1.33 billion as against Tk. 1.36 billion in 2024, a decrease of 2.81% due to increase of net claims and payment of payable agency commission in a short span of time as agency commission licenses are suspended effecting from 1 January 2026 by IDRA.
- Profit after tax stood at Tk. 885.25 million as against Tk. 958.84 million in 2024, a decrease of 7.68%.

## CLASS-WISE PERFORMANCE OF THE COMPANY

Pictorial presentation on product-wise performance of the company along with comparable information from the earlier years are furnished below:

BDT mn

| Class | Gross Premium | | Net Premium | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Fire | 3,326.06 | 3,081.89 | 576.97 | 454.83 |
| Marine Cargo | 959.04 | 879.05 | 669.81 | 622.28 |
| Marine Hull | 223.07 | 229.53 | 40.45 | 57.37 |
| Motor | 123.36 | 132.17 | 119.96 | 128.82 |
| Miscellaneous | 778.85 | 799.38 | 189.99 | 190.01 |
| **Total** | **5,410.38** | **5,122.02** | **1,597.18** | **1,453.31** |

### Fire Insurance Business:

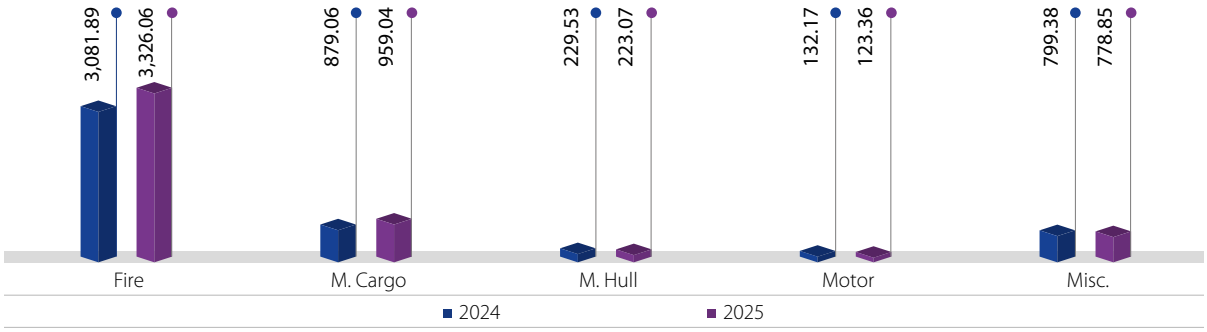
Reliance Insurance PLC has underwritten gross premium of Tk. 3,326.06 million against Tk. 3,081.89 million in 2024. The net premium was Tk. 576.97 million in 2025. The company disclosed an underwriting loss of Tk. 163.06 million from this class against a profit of Tk. 140.63 million in 2024 due to large fire claims happening during the year.

### Marine Insurance Business:

The company has underwritten gross premium of Tk. 1,182.11 million from marine insurance business including Tk. 223.07 million from marine hull business. Net premium from marine insurance business was Tk. 710.26 million against Tk. 679.66 million in 2024. The company earned an underwriting profit of Tk. 606.35 million against Tk. 474.60 million in 2024.

## Class of business growth 2025 VS 2024

BDT mn




### Motor and Miscellaneous Insurance Business:

In motor insurance business gross premium has slightly decreased to Tk. 123.36 million from Tk. 132.17 million in 2024. Motor business decreased due to discontinuation of Motor third party liability insurance and as such we have to totally depend on Motor voluntary or non-compulsory insurance, under which growth has been nominal due to economic downturns. The discontinuation Motor TPL has been detrimental to the insurance sector as well as to the public at large, creating an unparalleled situation. Hopefully the position may change in the near future. However, net premium from Motor segment was Tk. 119.96 million against Tk. 128.82 million in 2024. The underwriting profit was Tk. 75.37 million in 2025.

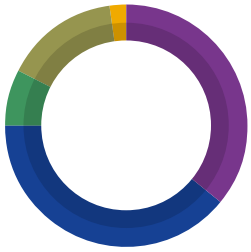
Underwriting of premium from Miscellaneous segment decreased to Tk. 778.84 million in 2025 from Tk. 799.38 million in the previous year. Net premium from this segment was Tk. 189.99 million against Tk. 190.01 million in 2024. The underwriting profit in Miscellaneous segment was Tk. 182.59 million in 2025.

BDT mn, except the %

| Class | 2025 | | 2024 | | Growth % 2025 over 2024 |
|---|---|---|---|---|---|
| | Amount | Breakdown % | Amount | Breakdown % | |
| IN-HOUSE | 417.66 | 7.72 | 424.21 | 7.84 | -1.54 |
| MULTINATIONAL | 1,945.08 | 35.95 | 1,808.00 | 33.42 | 7.58 |
| LOCAL CORPORATE | 2,110.57 | 39.01 | 1,953.92 | 36.11 | 8.02 |
| SUNDRY | 828.44 | 15.31 | 834.90 | 15.43 | -0.77 |
| PSB | 108.61 | 2.01 | 101.00 | 1.87 | 7.54 |
| **Total** | **5,410.38** | **100** | **5,122.02** | **100** | **5.63** |

## Source of Business 2025

BDT mn




## Class Wise Gross Premium Income 2025

BDT mn



### Bancassurance Business:

Reliance Insurance PLC has accorded agreements with the City Bank PLC and Prime Bank PLC to provide with insurance services as defined by the joint collaboration of Bangladesh Bank (BB) and Insurance Development and Regulatory Authority (IDRA).

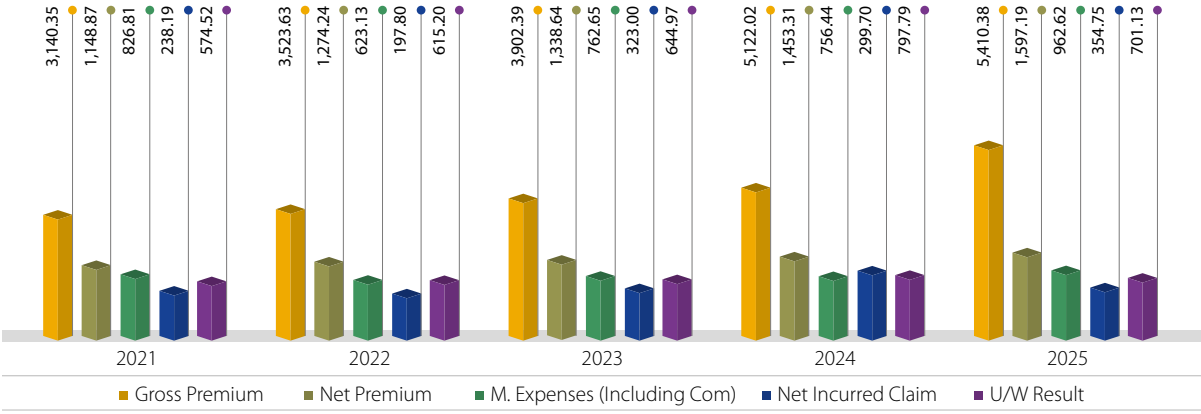
During the year under review, 31 policies have been issued a gross premium of total Tk. 1.09 million against which claims have been settled for Tk. 0.22 million and the claims ratio has appeared 20.12% from the Bancassurance business.

### INCOME FROM INVESTMENT

Investment income including gain from sale of shares (shown in other comprehensive income) increased to Tk. 770.57 million from Tk. 614.15 million in 2024, where, interest income was Tk. 656.72 million in 2025 against Tk. 520.24 million in 2024. This was the result of higher interest rates by the banks, NBFIs and BGTBs. The dividend income decreased to Tk. 67.66 million in 2025 from Tk. 90.39 in 2024. Income from letting of floor spaces at RI Tower, SPL Tower and Aziz Tower increased to Tk. 38.12 from Tk. 1.67 million.

### Underwriting Performance 2025

BDT mn




### Invested Assets 2025

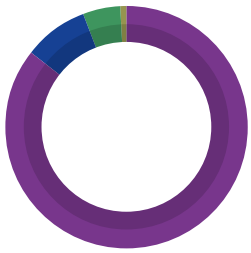
BDT mn



- **4,692.63** Share & Bonds
- **3,597.33** Cash at bank
- **3,435.47** Fixed assets and other

### Investment Income 2025

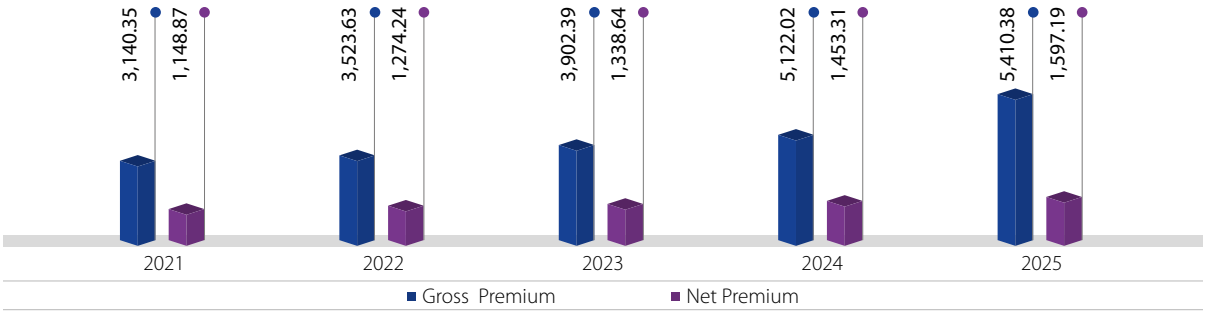
BDT mn



- **656.72** Interest
- **67.66** Dividend
- **38.12** Rent
- **4.36** Others

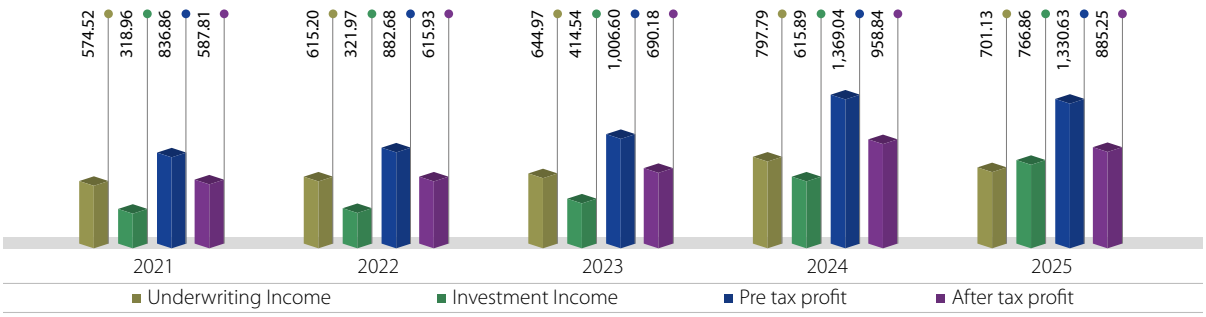
### Premium Development - Gross & Net

BDT mn



## Financial Results 2025

BDT mn




## RISKS AND CONCERNS

The insurance business inherently involves risk, which insurers continuously assume and manage as part of their operations. Reliance Insurance PLC, as a non-life insurer, underwrites a diversified portfolio of insurance policies covering fire and allied risks, marine cargo and hull, motor, and miscellaneous classes, including burglary, personal accident, engineering, health, and crop insurance. Certain underwritten risks involve high-value and specialized exposures. Such risks are identified, assessed, and monitored through regular analysis by the Company's risk assessment team, comprising experienced insurance professionals and designated engineers. Strategic risks relating to high-value insured assets are periodically reviewed by senior management, and appropriate risk mitigation measures are taken where necessary. Insurance risks are classified into strategic, underwriting, reinsurance, reserving, investment, liquidity, and socio-politico-economic risks. The Company continuously monitors these risks and adopts prudent measures to manage exposures of significant magnitude.

## RISK MANAGEMENT

Risk management at Reliance Insurance PLC follows a proactive approach to identifying and managing existing and emerging risks. The Company accepts large and diversified insurance risks and mitigates such exposures through adequate and appropriate reinsurance arrangements with well-rated and internationally reputed reinsurers.

The Company maintains reinsurance support both locally and abroad. Local reinsurance coverage is placed with Sadharan Bima Corporation (SBC), while overseas reinsurance arrangements are maintained with leading global reinsurers, including SCOR Reinsurance Asia-Pacific Pte Ltd, PEAK Reinsurance Company Ltd, Taiping Re, Labuan Reinsurance (L), Saudi Reinsurance Company, Abu Dhabi National Insurance Company, Asian Reinsurance, Oman Reinsurance, American International Group (AIG), Allianz General Insurance Company (Malaysia) Berhad, Zurich Insurance Company, FM Global (Factory Mutual Insurance Company, Best Meridian Insurance Company, CICA Re, Worldwide Re, PVI Insurance, PT Asuransi Umum Mega, Kenya Re, Mosaic Insurance, Waica Re, Himalayan Re, Gross Insurance, New India Assurance Co Ltd, Uzbekinvest, Northerlights Insurance, Nepal Re, Munich Re, SWISS RE, Hannover RE, ION Re, Singapore Re and Royal & Sun Alliance.

## EXTRAORDINARY ACTIVITIES

During the year under review, the Company did not undertake any extraordinary activities outside the normal course of its business.

## VALUATION OF FREEHOLD LAND & BUILDING

During the year, the Company carried out a revaluation of its freehold land and buildings as on 31 December 2025 by an independent professional valuer, M/s. Hoque Bhattachrjee Das & Co., Chartered Accountants, to reflect fair market values of the assets. The resultant upward fair value of relevant properties namely freehold land and buildings has been increased by Tk. 342 million and Tk. 108.58 million respectively and these have been accounted for in accordance with applicable financial reporting standards and is adequately disclosed in the notes to the financial statements. With the net increase in fair value and net result of the company's business for the year, the net assets value per share has an upward move to Tk. 78.95 per share (2024: Tk. 69.59 per share).

## RELATED PARTY TRANSACTIONS

The Company's transactions with related parties are made in accordance with the definition of related parties as set out in International Accounting Standard (IAS) 24: Related Party Disclosures. All such transactions arising in the normal course of business are conducted on an arm's length basis, at commercial terms and conditions similar to those applicable to unrelated third parties. In the normal course of business, Reliance Insurance PLC may enter into transactions with related parties for the issuance of insurance policies covering specified risks. Claims, if any, arising under such policies are settled following due assessment by independent surveyors licensed by IDRA.

Detail of transactions with related parties as regards to business obtained and claims settled during the year under review up to December 31, 2025, are shown in Note-31 of the financial statements.

# Digital Transformation Overview

Technology at Reliance Insurance PLC serves as a strategic enabler to enhance efficiency, security, and growth




## REMUNERATION PAID TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS

During the year under review, the Company paid a total of Tk. 1.02 million to the Directors, including Independent Directors, as Board and its Sub-Committee meeting attendance fees. No other remuneration or benefits, in any form, were paid to any of the Directors, including Independent Directors. The details of the Directors' attendance record are presented in Annexure-III.

## INFORMATION TECHNOLOGY

Technology at Reliance Insurance PLC functions as a strategic backbone, strengthening operational efficiency, enhancing risk control, ensuring regulatory compliance, and supporting sustainable growth.

The Company follows a structured human resource framework to ensure that all divisions, including Information Technology, are staffed with qualified and experienced professionals. The IT Division comprises skilled personnel in both software and hardware disciplines and possesses strong in-house capability to develop, customize, and maintain mission-critical applications aligned with underwriting, accounting, claims management, and regulatory reporting requirements.

### Infrastructure & System Architecture

Reliance Insurance PLC operates on a modern, secure, and scalable technology infrastructure designed to ensure business continuity and performance stability across all operations.

All branch offices are interconnected through a fully integrated Wide Area Network (WAN), enabling real-time data synchronization, centralized oversight, and seamless service delivery nationwide.

The Company utilizes an updated enterprise-grade Oracle platform, including Oracle WebLogic application servers and Oracle Database (19c), operating under a robust three-

tier architecture (Client → Application Server → Database Server). This architecture ensures:

- Security & Access Control
- Secure browser-based access to the CIIS platform
- Enhanced system reliability and processing efficiency
- Strengthened data integrity
- Improved scalability to accommodate transaction growth
- End-to-end business process coverage
- Third-party API integration capability

The upgraded Oracle environment, implemented in prior years, continues to provide operational stability, improved security protocols, reduced downtime risk, and optimized connectivity cost.

High-configuration servers are deployed to support increasing digital transactions and maintain performance benchmarks consistent with institutional standards.

### Digital Transformation & Online Integration

Reliance Insurance PLC continues to expand its digital ecosystem in alignment with regulatory directives and evolving customer expectations.

Personal lines of insurance products are currently offered online, supported by a fully operational e-receipt system implemented in compliance with IDRA requirements since 1 March 2022. The digital issuance and receipt framework has significantly reduced manual documentation, improved transparency, and strengthened audit traceability.

A significant milestone was achieved in 2025 with the successful launch of the Online Bancassurance Module.

Under this platform:

- All Bancassurance transactions with partner Banks are executed digitally
- Policy issuance, premium confirmation, and endorsements are processed online
- Documentation workflow is fully paperless
- Real-time reconciliation enhances accuracy and governance oversight
- Operational turnaround time has been significantly reduced

This initiative has strengthened collaboration with banking partners while contributing meaningfully to sustainability objectives through reduced paper consumption.

### Data Security & Business Continuity

Information security and operational resilience remain fundamental priorities.

The Company maintains:

- Individual password-protected access controls
- Structured user role-based authentication and authorization hierarchy
- Network security safeguards
- Continuous system monitoring

To ensure disaster recovery preparedness, a dedicated offsite backup server is maintained at a separate secure location away from the Head Office. This ensures business continuity and protection of critical data in the event of unforeseen disruptions.

### Strategic Outlook

Technology at Reliance Insurance PLC is positioned not merely as an operational utility but as a governance and growth enabler. The Company remains committed to strengthening cybersecurity resilience, expanding digital distribution channels, enhancing system automation.

## HUMAN CAPITAL MANAGEMENT

Reliance Insurance PLC places strong emphasis on professionalism and the development of robust human resource policies to enhance employee quality and ensure their optimal contribution towards the Company's objectives. The Company believes that its human resources provide a significant competitive advantage through knowledge, skills, and experience. In line with this, Reliance continues to recruit highly qualified personnel and implements programs to develop and retain talent across its divisions, departments, and branches. Need-based training, both internal and external, at home and abroad, is regularly arranged. The Company also provides attractive compensation and reward packages, along with initiatives for employee safety, health, and welfare, including support for family members, to ensure retention and promote job satisfaction.

## CORPORATE GOVERNANCE

In recent years, publicly listed companies have witnessed a significant increase in awareness of corporate governance due to evolving regulatory requirements and best practice recommendations. As a leading insurance company in Bangladesh, Reliance Insurance PLC is committed to adopting the highest governance standards to protect the interests of shareholders and policyholders. A robust corporate governance system is essential for efficient and effective business operations. Reliance Insurance PLC has established governance practices to ensure adequate internal controls, transparency, and accountability in its day-to-day operations. The Board of Directors emphasizes adherence to corporate behavior, regulatory compliance, and ethical standards. Duties and responsibilities are appropriately segregated between the Board and Management to ensure effective checks and balances while allowing flexibility for smooth business operations.

## EVALUATION OF PERFORMANCE OF THE BOARD MEMBERS & ITS COMMITTEES

The Board of Directors provides leadership and strategic direction to the Chief Executive Officer (CEO), approves major policies, and oversees the Management to ensure

achievement of the Company's objectives. The Board regularly evaluates the performance of its sub-committees and reviews decisions taken in committee meetings. The Chairman also acknowledges and appreciates the notable contributions of the Directors.

## MINORITY SHAREHOLDERS' INTEREST

In conducting the affairs of the Company, the interests of minority shareholders are duly protected. They are encouraged to participate in general meetings, and their suggestions and advice are always welcomed and duly considered.

## CORPORATE SOCIAL RESPONSIBILITY

Reliance Insurance PLC continues its commitment to delivering economic and social benefits to the community as part of its corporate social responsibility. The Company supports organizations working with physically and mentally challenged individuals, as well as financially distressed groups who are outside the mainstream of society. In 2025, Reliance Insurance PLC provided approximately Tk. 2.5 million in financial assistance to various non-profit organizations dedicated to these causes.

## CREDIT RATING

Credit Rating Information and Services Limited (CRISL) has reaffirmed the Claim Paying Ability (CPA) Rating of Reliance Insurance PLC as "AAA" (Triple A), indicating the highest claim paying ability, valid up to June 29, 2026. The rating, based on financials up to December 31, 2024 and other relevant qualitative and quantitative information as of June 30, 2025, reflects the Company's sound capital base, strong business and financial performance, and robust FDR base. The rating also considers the Company's market share, diversified reinsurance arrangements, business and investment portfolio, and experienced Board and Management team.

Details of the ratings are as follows:

| Particulars | Claim Paying Ability |
|---|---|
| CPA Rating | AAA |
| Outlook | Stable |
| Date of Rating: June 30, 2025 | Valid up to: June 29, 2026 |

## OUR FUTURE OUTLOOK

The unstable world and country economy, national election in the first quarter of the year, new political government and probable political turmoil may disrupt the normal business trend of the company. Secondly, there are threat from the quality overseas reinsurers to discontinue their business operation in Bangladesh. Moreover, some of the large clients are adopting conservative and low key approach. Considering the above scenarios there is a very little opportunity to show any high growth rate. There is a ray of hope to reform the internal reinsurance business dealing with the Sadharan Bima Corporation (SBC) on the signing of trade agreement with the USA regarding compulsory placement of 50% reinsurance to SBC.

The agency commission payment to the non-life agents has been discontinued with effect from 1 January 2026 and the teams of BIA have been working to implement it. In spite of their efforts, some insurers are trying to commit unhealthy practices which Reliance would never adopt. However, Reliance would try to achieve the target set by the Board of Directors in spite of market limitations.

## DIRECTORS

### A. Sponsor Directors

In terms of the Article 114 of the Articles of Association, the following Directors from Group A shareholders retire from office but being eligible they offer themselves for re-election:

1) Ms. Farhana Karim
2) Mr. Shamsur Rahman
3) Ms. Samira Alam.

### B. Public Subscribers Directors

In accordance with the same provisions of the Articles of Association mentioned above, the following Directors from Group B shareholders retire from office but being eligible they offer themselves for re-election:

1) Ms. Shahzreh Huq
2) Ms. Amiran Hossain.

As required by Insurance Rules, 1958, election of Directors from public subscribers will be held in the Annual General Meeting. The necessary notice for election of Directors from public subscribers was published in the required national dailies on 26 January 2026.

### C. Independent Directors

Reliance Insurance PLC has three independent directors including one female independent director on the Board. The independent directors are chairing the sub-committees of the Board of Directors as per Corporate Governance Code.

## AUDITORS

### A. Statutory Auditors

In accordance with the notification of BSEC, Reliance Insurance PLC appointed M/s. MABS & J Partners, Chartered Accountants, as statutory auditors for the consecutive second year and their present position would expire on 31 March 2026.

As per BSEC guidelines, the external auditors of the company, M/s. MABS & J Partners, Chartered Accountants, have consented to continue in office and being eligible, qualify for reappointment under section 210 (3) of the Companies Act, 1994. A resolution will be placed at the AGM for their re-appointment.

### B. Compliance Auditors

The Company shall obtain a certificate from a practicing Professional Accountant or Secretary, other than its statutory auditors or audit firm on yearly basis, regarding compliance of conditions of Corporate Governance Code of the Bangladesh Securities & Exchange Commission (BSEC). The Compliance Auditor, who will provide a certificate on compliance of the Corporate Governance Code, shall be appointed by the shareholders in the AGM.

Being duly appointed in the general meeting, M/s. Jasmin & Associates, Chartered Secretaries, completed their audit of the same for the year 2025 and being eligible they offer for the reappointment for the year 2026. A resolution will also be placed for approval of the reappointment of M/s. Jasmin & Associates, Chartered Secretaries, as per recommendation of the Audit Committee.

### C. ICGG Auditors

Insurance Development and Regulatory Authority (IDRA) issued Insurers Corporate Governance Guidelines (ICGG) to be applied to restore corporate governance in the insurance companies and application of which would be audited by an auditor appointed as per guideline 19(2) of the ICGG in the Annual General Meeting.

Being duly appointed in the general meeting, M/s. MNA Associates, Chartered Secretaries, completed their audit of the same for the year 2025 and being eligible they offer for the reappointment for the year 2026. A resolution will also be placed for approval of the reappointment of M/s. MNA Associates, Chartered Secretaries, as per recommendation of the Audit Committee.

The company received expression of interest (EOI) from four eligible firms of Chartered Accountants and Chartered Secretaries and out of which one firm would be appointed in the AGM by the shareholders as per recommendation of the Audit Committee.

## PROFITABILITY OF THE COMPANY

Reliance Insurance PLC has continued to deliver consistent profitability over the years, as reflected in its financial performance. In 2025, the Company faced significant challenges, including a surge in cargo claims due to the severe fire incident at Hazrat Shahjalal International Airport (HSIA) on 18 October, as well as several large but complex fire claims caused during the last month of the year. In addition, macroeconomic challenges, foreign currency tightening policy affecting letters of credit, and an unstable political environment created further obstacles for business growth, particularly in the motor and marine cargo insurance segments.

Despite these adverse conditions, Reliance Insurance PLC achieved a business growth of 5.63% over 2024, demonstrating resilience and effective risk management. Given the inherently risk-bearing nature of the insurance business, the Company continues to follow a conservative approach in underwriting and investments, ensuring long-term protection of its financial strength and the interests of policyholders and shareholders.

## FINANCIAL RESULTS & APPROPRIATION

Taking into account the Company's financial requirements and the shareholders' short-term and long-term interests, the Board of Directors recommends the appropriation of the after-tax profit for the year 2025 as follows:

| Particulars | BDT |
|---|---|
| Net profit after tax available for appropriation | 885,246,850 |
| **Recommended for appropriation to:** | |
| Reserve for exceptional losses | 159,718,917 |
| General reserve | 100,000,000 |
| Dividend @ 30% Cash | 315,483261 |

## IFRS 17: INSURANCE CONTRACTS

With a view to enhancing the credibility and transparency of financial statements of public interest entities, the Financial Reporting Council (FRC) has adopted IFRS 17: Insurance Contracts, replacing IFRS 4, for insurers in Bangladesh to whom Section 2(25) of the Insurance Act, 2010 applies. IFRS 17 is widely recognized as one of the most complex accounting standards introduced to date.

Various initiatives have been undertaken at the national level to facilitate its implementation. The Institute of Chartered Accountants of Bangladesh (ICAB) organized a seminar on "IFRS 17 – Insurance Contracts: Overview, Implementation Challenges and Way Forward" on September 25, 2022. In addition, the Honorable Chairman of IDRA arranged a preliminary training session with the CFOs of non-life insurers on 7 January 2025, demonstrating regulatory commitment toward effective adoption of the standard. The ICAB also arranged a similar program with the non-life insurers on 11 February 2025 with its local resources. Very recently, ICAB again organized an online workshop with external resources with Chartered Accountants and Actuaries from KPMG Sri Lanka who advised that a consultant is required by the insurers in Bangladesh to facilitate its implementation. Reliance Insurance PLC remains vigilant to implement the IFRS 17 as and when IDRA fixes any particular date to implement it.

## CORPORATE AND FINANCIAL REPORTING FRAMEWORK

We also report that:

I. The financial statements prepared by the management of the company fairly present its state of affairs, the operational result, cash flows and changes in equity.

II. Proper books of account of the company have been maintained.

III. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

IV. International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of the financial statements.

V. The system of internal control is sound in design and has been effectively implemented and monitored.

VI. There is no significant doubt about the company's ability to continue as a going concern.

VII. All significant deviations in the Company's operating results from the previous year have been explained.

VIII. The key operating and financial data of preceding five years have been provided in page - 85.

IX. The number of Board meetings held during the year 2025 and attendance by each director are shown in page- 86-87.

X. As on December 31, 2025, shareholdings pattern of the Company is shown in page 88.

XI. A brief resume of the Directors who retire from office, but eligible for re-election along with other necessary particulars are shown in page 30-46.

XII. A brief resume of the Independent Directors with other necessary particulars are shown in page 43-45.

XIII. A Management's Discussion and Analysis signed by CEO presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others shown in pages 89-91.

XIV. Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) is disclosed in Annexure–A (page 92).

XV. The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 is disclosed in Annexure–B and Annexure–C (pages 94-105).

XVI. A summary of preceding 5-year data on financial highlights has been shown in page 85.

## ACKNOWLEDGEMENT

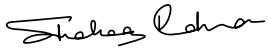
Our shareholders and policyholders are among the Company's most valuable assets and form the foundation of our continued success. We express our sincere gratitude to them for their unwavering support and the trust they have placed in Reliance Insurance PLC.

We also extend our heartfelt thanks to the Banks and financial institutions with whom we maintain extensive business relationships, as well as to our Regulators and stakeholders, including the Insurance Development & Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC, BAPLC, National Board of Revenue (NBR), Financial Reporting Council (FRC), Bangladesh Insurance Association (BIA), Sadharan Bima Corporation (SBC), Bangladesh Bank, and other relevant government authorities, for their continued cooperation and support.

I would like to express my sincere appreciation to the honorable members of the Board of Directors for their guidance and valuable advice, and to various Sub-Committees of the Board for effectively discharging their respective responsibilities. On behalf of the Board, I also convey our heartfelt thanks to the Chief Executive Officer (CEO) and all employees of Reliance Insurance PLC for their dedication and outstanding efforts in achieving and exceeding the Company's targets despite multiple challenges.

Thank you all.

For and on behalf of the Board of Directors



**Shahnaz Rahman**
Chairman

# Summary of Accounts 2025

By this summary information, investors and creditors can use to evaluate company's business and investment performance at a glance. Summary information are also important to the company's managers because by publishing summary information, management can communicate with interested outside parties about its accomplishment running the company for the relevant year and previous year as well. As capital providers, investors and creditors rely on a company's financial conditions for both the safety and profitability of their investments. More specifically, investors and creditors need to know where their money went and where it is now. So they can confirm Company's business and investment position easily from the summary of Accounts.

BDT mn, except the %

| Details | Fire | Marine Cargo | Marine Hull | Motor | Misc. | 2025 | 2024 |
|---|---|---|---|---|---|---|---|
| Gross direct premium | 3,326.06 | 959.04 | 223.07 | 123.36 | 778.85 | 5,410.38 | 5,122.02 |
| Gross R/I premium | - | - | - | - | - | - | - |
| **Total gross premium** | **3,326.06** | **959.04** | **223.07** | **123.36** | **778.85** | **5,410.38** | **5,122.02** |
| Reinsurance premium ceded | 2,749.09 | 289.23 | 182.63 | 3.40 | 588.85 | 3,813.19 | 3,668.71 |
| Net premium | 576.97 | 669.81 | 40.45 | 119.96 | 189.99 | 1,597.19 | 1,453.31 |
| Net premium reserve retained | (48.86) | (19.01) | 16.93 | 3.54 | 0.01 | (47.39) | (58.19) |
| Net earned premium | 528.11 | 650.80 | 57.37 | 123.51 | 190.00 | 1,549.79 | 1,395.12 |
| Commission Paid | 421.21 | 61.71 | 11.13 | 21.37 | 26.34 | 541.76 | 289.56 |
| Net R/I Commission Earned | 255.90 | 92.69 | 36.05 | 0.15 | 83.91 | 468.71 | 415.90 |
| Management Expenses (Revenue A/C) | 258.76 | 74.27 | 17.28 | 10.15 | 60.41 | 420.86 | 423.98 |
| Management Expenses (P & L A/C) | - | - | - | - | - | 137.36 | 42.90 |
| Gross Incurred Claims | 355.19 | 292.75 | 11.05 | 16.76 | (4.16) | 671.59 | 323.56 |
| Net Incurred Claims | 267.17 | 85.60 | (19.40) | 16.76 | 4.61 | 354.75 | 299.70 |
| U/W Result | (163.13) | 521.91 | 84.42 | 75.37 | 182.56 | 701.13 | 797.79 |
| Investment Income (Before Tax) | | | | | | 766.86 | 615.89 |
| Net Profit before tax | | | | | | 1,330.63 | 1,369.04 |
| Return on Equity (%) | | | | | | 19.17 | 23.04 |
| Shareholders' fund | | | | | | 8,302.66 | 7,318.36 |

# Operating & Financial Highlights 2025

| Particulars | Terms | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|
| **FINANCIAL POSITION** | | | | | | |
| Total assets | Taka | 15,167.41 | 13,934.12 | 12,527.64 | 11,605.59 | 11,082.88 |
| Investments | Taka | 4,692.63 | 3,605.20 | 3,202.10 | 2,875.43 | 3,172.68 |
| Current assets | Taka | 7,039.31 | 7,322.03 | 6,396.81 | 5,880.54 | 5,140.31 |
| Net current assets | Taka | 174.56 | 706.28 | 899.53 | 860.17 | 668.09 |
| Cash & cash equivalents | Taka | 3,597.33 | 3,615.78 | 4,125.60 | 3,932.64 | 3,483.42 |
| Net asset | Taka | 8,302.66 | 7,318.36 | 7,030.36 | 6,585.21 | 6,610.66 |
| Current liabilities | Taka | 6,864.75 | 6,615.75 | 5,497.28 | 5,020.37 | 4,472.22 |
| Total Reserve | Taka | 7,914.20 | 6,882.50 | 6,536.30 | 6,085.90 | 6,040.66 |
| **OPERATIONAL RESULT** | | | | | | |
| Gross premium | Taka | 5,410.38 | 5,122.02 | 3,902.39 | 3,523.63 | 3,140.35 |
| Net premium | Taka | 1,597.19 | 1,453.31 | 1,338.64 | 1,274.24 | 1,148.87 |
| Net claims | Taka | 354.75 | 299.70 | 323.00 | 197.80 | 238.19 |
| Underwriting profit | Taka | 701.13 | 797.79 | 644.97 | 615.20 | 574.52 |
| Profit before interest, depreciation & tax | Taka | 1,448.63 | 1,397.04 | 1,045.43 | 921.93 | 876.64 |
| Net profit before tax | Taka | 1,330.63 | 1,369.04 | 1,006.60 | 882.68 | 836.86 |
| Net profit ater tax | Taka | 885.25 | 958.84 | 690.18 | 615.93 | 587.81 |
| Investment & other income | Taka | 766.85 | 615.89 | 414.54 | 321.97 | 318.96 |
| Cash flow from operating activities | Taka | 719.53 | 174.32 | 509.40 | 694.55 | 837.39 |
| Net operating cash flow per share | Taka | 6.84 | 1.66 | 4.84 | 6.60 | 7.96 |
| **FINANCIAL RATIO** | | | | | | |
| Dividend in stock | % | 0% | 0% | 0% | 0% | 0% |
| Dividend per share (cash) | Taka | 3.00 | 3.00 | 2.50 | 2.50 | 2.50 |
| Earnings per share | Taka | 8.42 | 9.12 | 6.56 | 5.86 | 5.59 |
| Return on shareholders' fund | % | 19.17 | 23.04 | 17.18 | 16.59 | 15.26 |
| Return on capital employed | % | 22.85 | 28.30 | 22.12 | 20.69 | 19.31 |
| Return on assets | % | 5.84 | 6.88 | 5.51 | 5.31 | 5.30 |
| Return on Investment | % | 16.38 | 17.08 | 12.95 | 11.20 | 10.05 |
| Claim ratio | % | 22.21 | 20.62 | 24.13 | 15.52 | 20.73 |
| Combined ratio | % | 82.48 | 69.72 | 76.18 | 71.10 | 67.21 |
| Surplus ratio | % | 914.99 | 205.77 | 148.82 | 124.84 | 138.65 |
| Solvency ratio* | % | 3.03 | 2.60 | - | - | - |
| Debt equity ratio | % | 74.69 | 81.99 | 70.26 | 63.86 | 56.57 |
| Price earnings ratio | Ratio | 7.75 | 6.27 | 10.44 | 9.97 | 15.65 |
| Current ratio | Ratio | 1.03:1 | 1.11:1 | 1.16:1 | 1.21:1 | 1.19:1 |
| Underwriting/Gross profit ratio | Ratio | 43.90 | 54.89 | 48.18 | 48.28 | 52.84 |
| Dividend payout ratio | Ratio | 35.64 | 32.90 | 38.09 | 42.68 | 44.73 |
| Dividend yield | Ratio | 4.60 | 5.24 | 3.65 | 4.28 | 2.86 |
| **EQUITY STATISTICS** | | | | | | |
| Paid-up capital | Taka | 1,051.61 | 1,051.61 | 1,051.61 | 1,051.61 | 1,051.61 |
| Shareholders' equity | Taka | 8,302.66 | 7,318.36 | 7,030.36 | 6,585.21 | 6,610.66 |
| Market value per share | Taka | 65.20 | 57.20 | 68.50 | 58.40 | 87.50 |
| Net assets value per share | Taka | 78.95 | 69.59 | 66.85 | 62.62 | 62.86 |

* Solvency ratio calculated only for the year 2024-25 as per IDRA published gazette S.R.O No. 313-Act/2024 dated 18 September 2024

# Board & Committee Meetings attendance 2025

### Board Meeting

| Name of the Director | Nominated By | Board of Directors Meeting | | |
|---|---|---|---|---|
| | | Total Meetings held | Meetings Attended | % |
| Mr. Shamsur Rahman | Self | 6 | 6 | 100 |
| Ms. Shahnaz Rahman | Trinco Limited | 6 | 5 | 83 |
| Mr. Rajiv Prasad Shaha | Kumudini Welfare Trust of Bengal (BD) Limited | 6 | 5 | 83 |
| Ms. Farhana Karim | Rangs Limited | 6 | 5 | 83 |
| Mr. Zaraif Ayaat Hossain | Transfin Trading Limited | 6 | 5 | 83 |
| Mr. Imran Faiz Rahman | Arlinks Limited | 6 | 6 | 100 |
| Ms. Samira Alam | General Produce International Limited | 6 | 6 | 100 |
| Mr. Iftekharul Huq | FinAccord Trading Limited | 6 | 4 | 67 |
| Ms. Srimati Shaha | Kumudini Handicraft | 6 | 6 | 100 |
| Ms. Sabra Yesmin Chowdhury | Rangs Workshop Limited | 1 | 1 | 100 |
| Ms. Sabrina Shama Chowdhury | Rangs Workshop Limited | 4 | 2 | 50 |
| Ms. Amiran Hossain | Deep Sea Fishers Limited | 6 | 6 | 100 |
| Ms. Shahzreh Huq | Transcom Limited | 6 | 5 | 83 |
| Mr. Abdullah Al Mamun FCA | Transcom Electronics Limited | 6 | 4 | 67 |
| Mr. Azizur Rashid FCA | Independent Director | 2 | 2 | 100 |
| Mr. Md. Habibur Rahman Mollah FCA | Independent Director | 6 | 6 | 100 |
| Ms. Maria Howlader FCA | Independent Director | 6 | 5 | 83 |
| Mr. Mohammad Zahid Hossain FCA | Independent Director | 6 | 6 | 100 |

**NOTE:**

1) Ms. Sabrina Shama Chowdhury was elected as Director at the 37th AGM held on 25th March 2025.
2) Tenure of Mr. Azizur Rashid FCA as Independent Director ends on 30 March 2025.
3) Ms. Maria Howlader FCA was appointed as Independent Director on 30 October 2024.
4) Mr. Mohammad Zahid Hossain FCA was appointed as Independent Director on 30 October 2024.

### Audit Committee Meeting

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Md. Habibur Rahman Mollah FCA | 4 | 4 | 100 |
| Ms. Farhana Karim | 4 | 1 | 25 |
| Mr. Imran Faiz Rahman | 4 | 4 | 100 |
| Mr. Azizur Rashid FCA | 1 | 1 | 100 |
| Ms. Maria Howlader FCA | 3 | 2 | 67 |

### Nomination and Remuneration Committee Meeting

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Mohammad Zahid Hossain FCA | 2 | 2 | 100 |
| Mr. Shamsur Rahman | 2 | 2 | 100 |
| Mr. Zaraif Ayaat Hossain | 2 | 2 | 100 |
| Ms. Amiran Hossain | 2 | 2 | 100 |

### Investment Committee Meeting

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Rajiv Prasad Shaha | 1 | 1 | 100 |
| Ms. Shahnaz Rahman | 1 | 1 | 100 |
| Ms. Farhana Karim | 1 | 1 | 100 |
| Ms. Samira Alam | 1 | 1 | 100 |
| Mr. Iftekharul Huq | 1 | 1 | 100 |

### Risk Management Committee Meeting

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Md. Habibur Rahman Mollah FCA | 1 | 1 | 100 |
| Ms. Srimati Shaha | 1 | 1 | 100 |
| Ms. Shahzreh Huq | 1 | 1 | 100 |

### Policy Holders Protection & Compliance Committee Meeting

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Azizur Rashid FCA | 1 | 1 | 100 |
| Ms. Sabra Yesmin Chowdhury | 1 | 1 | 100 |
| Mr. Abdullah Al Mamun FCA | 1 | 1 | 100 |

# Pattern of Shareholding

## AS ON DECEMBER 31, 2025

**A. Shareholding by Companies, Directors and their Spouse & Children:**

| Name of Shareholders | Represented by | No. of Shares Held | % |
|---|---|---|---|
| Rangs Limited | Ms. Farhana Karim | 10,958,660 | 10.42 |
| General Produce International Ltd. | Ms. Samira Alam | 3,265,604 | 3.11 |
| FinAccord Trading Ltd. | Mr. Iftekharul Huq | 3,447,604 | 3.28 |
| Transfin Trading Ltd. | Mr. Zaraif Ayaat Hossain | 7,562,573 | 7.19 |
| Arlinks Limited | Mr. Imran Faiz Rahman | 6,452,104 | 6.14 |
| Trinco Limited | Ms. Shahnaz Rahman | 7,562,771 | 7.19 |
| Mr. Shamsur Rahman | Self | 4,111,678 | 3.91 |
| Kumudini Welfare Trust of Bengal (BD) Ltd. | Mr. Rajiv Prasad Shaha | 6,868,227 | 6.53 |
| Prantik Engineering Co. Ltd. | Sponsor Shareholder | 1,716,932 | 1.63 |
| Rangs Workshop Ltd. | Ms. Sabrina Shama Chowdhury | 3,727,709 | 3.54 |
| Deep Sea Fishers Ltd. | Ms. Amiran Hossain | 6,666,649 | 6.34 |
| Transcom Limited | Ms. Shahzreh Huq | 2,494,880 | 2.37 |
| Kumudini Handicrafts | Ms. Srimati Shaha | 2,103,515 | 2.00 |
| Transcom Electronics Limited | Mr. Abdullah Al Mamun FCA | 4,513,441 | 4.29 |
| Ms. Nafisa Rahman Siddiqui (Daughter of Mr. Shamsur Rahman) | Self | 1,153,033 | 1.10 |
| Ms. Fahreen Rahman (Daughter of Mr. Shamsur Rahman) | Self | 1,153,033 | 1.10 |
| Independent Directors | | | |
| Mr. Md. Habibur Rahman Mollah FCA | | Nil | |
| Ms. Maria Howlader FCA | | Nil | |
| Mr. Mohammad Zahid Hossain FCA | | Nil | |

**B) Shareholding by others:**

| Name of Shareholders | No. of Shares Held | % |
|---|---|---|
| Chief Executive Officer | Nil | |
| Company Secretary | Nil | |
| Chief Financial Officer | Nil | |
| Head of Internal Audit & Compliance | Nil | |
| Parent/Subsidiary/Associate and other related parties | Nil | |
| Shareholding of top five salaried executives | Nil | |
| Shareholders holding ten percent or more – Rangs Limited | 10,958,660 | 10.42 |

# Management's Discussion and Analysis

As per condition no. 1(5) (xxv) of the Corporate Governance Code 2018 issued by BSEC, the Management's Discussion and Analysis are as follows:

### a. Accounting policies and estimates used in the preparation of the financial statements

The company follows International Financial Reporting Standards (IFRS) in the preparation of its financial statements, disclosure and rules as required by Insurance Act 2010, Companies Act 1994, Insurance Rules 1958 (to the extent necessary), other relevant rules, regulations, and guidelines issued by the Insurance Development and Regulatory Authority (IDRA), the Securities and Exchange Rules 2020, and other applicable laws and regulations in Bangladesh. A detailed description of accounting policies and estimates used for the preparation of the financial statements of the company is disclosed in Note no. 2 of the financial statements.

### b. Comparative analysis of financial performance or results and financial position, as well as cash flows for the current financial year and the immediate preceding five years.

In spite of several uncertainties in the insurance business, eco-political scenarios, Reliance could successfully maintain noticeable earnings growth for the last five years. The key operating and financial performances and financial position, as well as cash flows for six years (including the preceding five years) are as follows:

Figures are in millions, except the ratios

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| Gross premium | 5,410.38 | 5,122.02 | 3,902.39 | 3,523.63 | 3,140.35 | 2,937.12 |
| Net premium | 1,597.19 | 1,453.31 | 1,338.64 | 1,274.24 | 1,148.87 | 1,062.50 |
| Underwriting profit | 701.13 | 797.79 | 644.97 | 615.20 | 574.50 | 470.98 |
| Investment & other income | 768.59 | 614.16 | 414.54 | 321.97 | 318.96 | 377.64 |
| Net profit before tax | 1,330.63 | 1,369.04 | 1,006.61 | 882.68 | 836.86 | 770.47 |
| Net profit after tax | 885.25 | 958.66 | 690.18 | 615.93 | 587.81 | 548.18 |
| EPS | 8.42 | 9.12 | 6.56 | 5.86 | 5.59 | 5.21 |
| NOCFPS | 6.84 | 1.66 | 4.84 | 6.60 | 7.96 | 6.50 |
| Paid-up capital | 1,051.61 | 1,051.61 | 1,051.61 | 1,051.61 | 1,051.61 | 1,051.61 |
| Shareholders' equity | 8,302.66 | 7,318.45 | 7,030.36 | 6,585.21 | 6,7610.66 | 6,386.9 |
| Total assets | 15,167.41 | 13,610.89 | 12,527.64 | 11,605.60 | 11,082.88 | 10,277.8 |
| NAVPS | 78.95 | 69.59 | 66.85 | 62.62 | 62.86 | 60.73 |

### c. Comparison of such financial performance or results and financial position as well as cash flows, with the peer industry scenario.

Major areas of financial performance and financial position, as well as cash flows with peer industry scenario for the year 2024, were as follows:

Figures are in BDT millions, except the ratios

| Particulars | Reliance | Green Delta | Pioneer | Pragati |
|---|---|---|---|---|
| Gross premium | 5,122.02 | 4,107.68 | 3,221.41 | 2,503.65 |
| Net premium | 1,453.31 | 1,782.72 | 1,613.74 | 1,298.50 |
| Underwriting profit | 797.79 | 969.46 | 473.15 | 366.99 |
| Investment & other income | 615.89 | 313.13 | 194.83 | 211.68 |
| Net profit before tax | 1,369.04 | 910.31 | 631.27 | 550.76 |
| Net profit after tax | 958.84 | 602.46 | 468.67 | 413.34 |
| EPS | 9.12 | 6.01 | 4.79 | 5.61 |
| NOCFPS | 1.66 | 1.80 | -0.91 | 3.35 |
| Paid-up capital | 1,051.61 | 1,001.88 | 978.01 | 736.91 |
| Shareholders' equity | 7318.36 | 6,837.27 | 4,367.27 | 4,243.44 |
| Total assets | 13,934.12 | 14,243.00 | 6,013.84 | 5,995.16 |
| NAVPS | 69.59 | 68.24 | 44.65 | 57.58 |

Source: Published Annual report -2024

### d. Financial and economic scenario of Bangladesh and the global economy

According to the International Monetary Fund's World Economic Outlook (October 2025), global output is projected to grow by around 3.2% in 2025 and 3.1% in 2026, suggesting resilience despite persistent uncertainty and elevated trade tensions. The United Nations also reports that growth is constrained by weak investment, trade fragmentation, and geopolitical risks, keeping expansion below pre-pandemic averages. These economic headwinds-compounded by tariff pressures, trade disruptions, and ongoing conflicts- have resulted in a global environment marked by instability and subdued growth, which continues to affect confidence, trade, and capital flows around the world.

Global real premium growth in the insurance industry reached approximately 4.6% in 2024. Advanced markets recorded an average growth of 4.1%, led by North America at 5.2%, while Western Europe and the Asia-Pacific advanced markets achieved growth of 2.7% and 2.2%, respectively. Emerging markets outperformed advanced economies, posting growth of 6.7%, with China recording a notable 7.5% increase.

The global non-life insurance sector continues to improve in terms of profitability and economic sustainability. Underwriting performance benefited from easing inflationary pressures and firm premium rates during the year, and these favorable conditions are expected to persist through 2025 and 2026. Improved investment returns are also expected to further support overall profitability.

According to the Swiss Re Institute (SRI), global non-life premium growth is projected to reach a decade-high 4.3%, driven by the repricing of risk following elevated claims experience. However, as premium rates begin to moderate, global premium growth is forecast to soften to an average of 2.3% per annum in real terms during 2025–2026, compared to the 3.1% average growth of the previous five years. The active U.S. hurricane season is expected to push global insured natural catastrophe losses beyond USD 100 billion for the fifth consecutive year, which may delay the easing of property insurance pricing.

Following the regime change in August 2024, the interim government has been operating under significant constraints, resulting in a challenging and uncertain business environment. The economy has faced heightened instability, with stress in the banking and financial sectors due to elevated levels of non-performing loans, creating concerns among depositors regarding the safety and recovery of their deposits.

Against this backdrop, the International Monetary Fund (IMF) has projected Bangladesh's real GDP growth at 3.8% in 2025, with inflation expected to remain elevated at around 10%. For 2026, GDP growth is forecasted to improve to 4.9%, while inflation is projected to moderate to

8.8%. These macroeconomic conditions continue to pose challenges for businesses while underscoring the need for prudent financial and risk management.

Bangladesh's foreign exchange reserves have fluctuated, recently hovering around the $ 23-$ 32 billion range (as of late 2025), down from highs near $48 billion in 2021, with figures varying slightly between reporting methods (gross vs. usable) but generally showing a decline influenced by import pressures and increased remittance inflows, with recent reports citing figures of around USD 33.20 billion in December 2025. In 2025, the taka depreciated against the US dollar, ranging from Tk. 119.48 to Tk. 122.35 from January 1 2025 to December 31 of 2025. Bank's selling rate was higher by 1 Taka per USD.

### e. Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company.

The company has exposures to underwriting risk, credit risk, market risk and liquidity risk relating to the financial statements. The detail explanation along with the risk management are explained in pages 290-293.

### f. Future plan or projection or forecast for company's operation, performance and financial position.

The unstable world and country economy, national election in the first quarter of the year 2026, new political government, and probable political turmoil may disrupt the normal business trend of the company. Secondly, there are threats from the quality overseas reinsurers to discontinue their business operation in Bangladesh. Moreover, some of the large clients are adopting conservative and low key approach. Considering the above scenarios, there is a very little opportunity to show any high growth rate. There is a ray of hope to reform the internal reinsurance business dealing with the Sadharan Bima Corporation (SBC) on the signing of trade agreement with the USA regarding withdrawal of compulsory placement of 50% reinsurance to SBC.

Reliance Insurance PLC, with its prudent insurance services, will remain steadfast to overcome any foreseeable challenges in future and will be in rhythm for a sensible business growth in 2026.



**Md. Khaled Mamun FCII (UK)**
Chief Executive Officer

# Declaration by CEO and CFO

**Annexure-A**
As per condition No. 1(5)(xxvi) of CGC

Date: February 26, 2026

The Board of Directors

Reliance Insurance PLC

Reliance Insurance Tower,
Plot no. 11, Block CWS(C), South Avenue,
Dhaka 1212, Bangladesh

**Subject: Declaration on Financial Statements for the year ended on December 31, 2025.**

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Reliance Insurance PLC for the year ended on December 31, 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

i. We have reviewed the financial statements for the year ended on December 31, 2025 and that to the best of our knowledge and belief:

a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

**Md. Khaled Mamun**
Chief Executive Officer (CEO)

**Badal Chandra Rajbangshi**
Chief Financial Officer (CFO)

# Report to the Shareholders of Reliance Insurance PLC. on Compliance on the Corporate Governance Code

We have examined the Compliance status to the Corporate Governance Code by Reliance Insurance PLC. for the year ended on December 31, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
(d) The Governance of the company is satisfactory.

For: **Jasmin & Associates**
Chartered Secretaries




Jasmin Akter, FCS
Managing Partner

Place : Dhaka, Bangladesh
Dated : February 26, 2026

# Status of Compliance with the Corporate Governance Code

## As per Condition No.1 (5) (xxvii)

**Status of compliance with the conditions imposed by the Commission's Notification No.SEC/ CMRRCD/2006-158/207/ Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance 1969:**

**(Report under Condition No.9)**

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **1** | **BOARD OF DIRECTORS:** | | | |
| **1(1)** | **Board's Size** | | | |
| | The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty). | √ | | |
| **1(2)** | **Independent Directors** | | | |
| 1(2)(a) | At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s):<br>Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company; | √ | | There are three Independent Directors including one female Independent Director in the Board. |
| 1(2)(b)(i) | Who either does not hold share in the Company or holds less than one (1%) shares of the total paid up shares of the Company; | √ | | |
| 1(2)(b)(ii) | Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: | √ | | |
| 1(2)(b)(iii) | Who has not been an executive of the company in immediately preceding 2 (two) financial years; | √ | | |
| 1(2)(b)(iv) | Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies; | √ | | |
| 1(2)(b)(v) | Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange; | √ | | |
| 1(2)(b)(vi) | Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(2)(b)(vii) | Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code; | √ | | |
| 2)(b)(viii) | Who shall not be an independent director in more than 5 (Five) listed companies; | √ | | |
| 1(2)(b)(ix) | who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution; and" | √ | | |
| 1(2)(b)(x) | Who has not been convicted for a criminal offence involving moral turpitude. | √ | | |
| 1(2)(c) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM) :<br>Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company; | √ | | Duly appointed by the Board and consented by BSEC. |
| 1(2)(d) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days. | √ | | |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: | √ | | |
| **1(3)** | **Qualification of Independent Director (ID)** | | | |
| 1(3)(a) | Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws regulatory requirements and can make meaningful contribution to business; | √ | | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or | √ | | |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk.<br>100.00 million or of a listed company; or | √ | | |
| 1(3)(b)(iii) | Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law:<br>Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | √ | | |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | √ | | |
| 1(3)(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | √ | | |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | | | No such matter |
| **1(4)** | **Duality of chairperson of the Board of Directors and Managing Director of chief Executive Officer** | | | |
| 1(4)(a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals; | √ | | |
| 1(4)(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | √ | | |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company; | √ | | |
| 1(4)(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer; | √ | | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | √ | | |
| 1(5) | The Director's Report to Shareholders | | | |
| 1(5)(i) | An Industry outlook and possible future developments in the industry; | √ | | |
| **1(5)(ii)** | **The Segment-wise or product-wise performance;** | √ | | |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | √ | | |
| 1(5)(iv) | A Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | √ | | |
| 1(5)(v) | A Discussion on continuity of any Extra-Ordinary activities and their implication (gain or loss); | | | No such matter |
| 1(5)(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | √ | | |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments; | | | No such matter |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.; | | | No such matter |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(5)(ix) | An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements; | √ | | |
| 1(5)(x) | A statement of remuneration paid to the directors including independent directors; | √ | | |
| 1(5)(xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | √ | | |
| 1(5)(xii) | A Statement that proper books of account of the issuer Company have been maintained. | √ | | |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment; | √ | | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | √ | | |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | √ | | |
| 1(5)(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | √ | | |
| 1(5)(xvii) | A statement that there are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed; | | | No such matter |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained; | √ | | |
| 1(5)(xix) | Key operating and financial data of at least preceding 5 (five) years shall be summarized; | √ | | |
| 1(5)(xx) | An explanation on the reasons If the issuer company has not declared dividend (cash or stock) for the year; | | | No such matter |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | √ | | |
| 1(5)(xxii) | The total number of Board meetings held during the year and attendance by each director; | √ | | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | √ | | |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name wise details); | √ | | |
| 1(5)(xxiii)(c) | Executives; | √ | | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name wise details). | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(5)(xxiv)(a) | A brief resume of the director; | √ | | |
| 1(5)(xxiv)(b) | Nature of his / her expertise in specific functional areas; | √ | | |
| 1(5)(xxiv)(c) | Names of companies in which the person also holds the directorship and the membership of committees of the board; | √ | | |
| 1(5)(xxv)(a) | Accounting policies and estimation for preparation of financial statements; | √ | | |
| 1(5)(xxv)(b) | Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | √ | | |
| 1(5)(xxv)(c) | Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof; | √ | | |
| 1(5)(xxv)(d) | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | √ | | |
| 1(5)(xxv)(e) | Briefly explain the financial and economic scenario of the country and the globe; | √ | | |
| 1(5)(xxv)(f) | Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | √ | | |
| 1(5)(xxv)(g) | Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | √ | | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; | √ | | |
| 1(5)(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C; | √ | | |
| 1(5)(xxviii) | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality. | √ | | |
| **1(6)** | Meetings of the Board of Directors; The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | √ | | |
| **1(7)** | **Code of Conduct for the Chairperson, other Board members and Chief Executive Officer** | | | |
| 1(7)(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | √ | | |
| **2** | **Governance of Board of Directors of Subsidiary Company.** | | | |
| 2(a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company; | | | No Subsidiary Company. |
| 2(b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company; | | | No Subsidiary Company. |
| 2(c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company; | | | No Subsidiary Company. |
| 2(d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also; | | | No Subsidiary Company. |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company. | | | No Subsidiary Company. |
| **3** | **Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).** | | | |
| **3(1)** | **Appointment** | | | |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC); | √ | | |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | √ | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time:<br>Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission:<br>Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;" | √ | | |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | √ | | |
| **3(2)** | **Requirement to attend Board of Directors' Meetings** | | | |
| | The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters. | √ | | |
| **3(3)** | **Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)** | | | |
| 3(3)(a) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: | | | |
| 3(3)(a)(i) | these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | √ | | |
| 3(3)(a)(ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws; | √ | | |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | √ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | √ | | |
| **4** | **Board of Directors' Committee-For ensuring good governance in the company, the Board shall have at least following sub-committees:** | | | |
| 4(i) | Audit Committee; and | √ | | |
| 4(ii) | Nomination and Remuneration Committee | √ | | |
| **5** | **AUDIT COMMITTEE:** | | | |
| **5(1)** | **Responsibility to the Board of Directors** | | | |
| 5(1)(a) | The Company shall have an Audit Committee as a sub-committee of the Board of Directors; | √ | | |
| 5(1)(b) | The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business; | √ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing. | √ | | |
| **5(2)** | **Constitution of the Audit Committee** | | | |
| 5(2)(a) | The Audit Committees hall be composed of at least 3 (three) members; | √ | | |
| 5(2)(b) | The Board of Directors shall appoint members of the Audit Committee who shall be directors of the Company and shall include at least 1 (one) Independent Director; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5(2)(c) | All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | √ | | |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | √ | | No such matter |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without independent director. | √ | | |
| **5(3)** | **Chairman of the Audit Committee** | | | |
| 5(3)(a) | The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director; | √ | | |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | √ | | |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): | √ | | |
| **5(4)** | **Meeting of the Audit Committee** | | | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year; | √ | | |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | | |
| **5(5)** | **Role of Audit Committee**<br>The Audit Committee shall:- | | | |
| 5(5)(a) | Oversee the financial reporting process; | √ | | |
| 5(5)(b) | Monitor choice of accounting policies and principles; | √ | | |
| 5(5)(c) | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | √ | | |
| 5(5)(d) | Oversee hiring and performance of external auditors; | √ | | |
| 5(5)(e) | Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | √ | | |
| 5(5)(f) | Review along with the management, the annual financial statements before submission to the board for approval; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 5(5)(g) | Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | √ | | |
| 5(5)(h) | Review the adequacy of internal audit function; | √ | | |
| 5(5)(i) | Review the Management's Discussion and Analysis before disclosing in the Annual Report; | √ | | |
| 5(5)(j) | Review statement of all related party transactions submitted by the management; | √ | | |
| 5(5)(k) | Review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | √ | | |
| 5(5)(l) | Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | √ | | |
| 5(5)(m) | Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: | | | No such matter |
| **5(6)** | **Reporting of the Audit Committee** | | | |
| 5(6)(a) | Reporting to the Board of Directors | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | √ | | |
| 5(6)(a)(ii)(a) | Report on conflicts of interests; | | | No such matter |
| 5(6)(a)(ii)(b) | Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | | | No such matter |
| 5(6)(a)(ii)(c) | Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | | | No such matter |
| 5(6)(a)(ii)(d) | Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | | | No such matter |
| 5(6)(b) | Reporting to the Authorities; If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | | | No such matter |
| **5(7)** | Reporting to the Shareholders and General Investors ;Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **6** | **Nomination and Remuneration Committee (NRC):-** | | | |
| **6(1)** | **Responsibility to the Board of Directors** | | | |
| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | √ | | |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | √ | | |
| 6(1)(c) | The Terms of Reference (To R) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b). | √ | | |
| **6(2)** | **Constitution of the NRC** | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | √ | | |
| 6(2)(b) | At least 02 (two) members of the Committee shall be non-executive directors; | √ | | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | √ | | |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | √ | | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the boardshallfillthevacancywithin180 (one hundred eighty) days of occurring such vacancy in the Committee; | √ | | |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | √ | | |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee; | √ | | |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | | |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | | |
| **6(3)** | **Chairperson of the NRC** | | | |
| 6(3)(a) | The Board shall select1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | | |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: | √ | | |
| **6(4)** | **Meeting of the NRC** | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | √ | | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | | |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independentdirectorismustasrequiredunderconditionNo.6(2)(h); | √ | | |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | √ | | |
| **6(5)** | **Role of the NRC** | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | | |
| 6(5)(b)(i)(a) | The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | √ | | |
| 6(5)(b)(i)(b) | The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | √ | | |
| 6(5)(b)(i)(c) | Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | √ | | |
| 6(5)(b)(ii) | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | √ | | |
| 6(5)(b)(iii) | Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | √ | | |
| 6(5)(b)(iv) | Formulating the criteria for evaluation of performance of independent directors and the Board; | √ | | |
| 6(5)(b)(v) | Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | √ | | |
| 6(5)(b)(vi) | Developing, recommending and reviewing annually the company's human resources and training policies; | √ | | |
| 6(5)(c ) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | √ | | |
| **7** | **External or Statutory Auditors.** | | | |
| **7(1)** | The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- | | | |
| 7(1)(i) | Appraisal or valuation services or fairness opinions; | √ | | |

| Condition No. | Title | Compliance Status | | Remarks |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 7(1)(ii) | Financial information systems design and implementation; | √ | | |
| 7(1)(iii) | Book-keeping or other services related to the accounting records or financial statements; | √ | | |
| 7(1)(iv) | Broker-dealer services; | √ | | |
| 7(1)(v) | Actuarial services; | √ | | |
| 7(1)(vi) | Internal audit services or special audit services | √ | | |
| 7(1)(vii) | Any service that the Audit Committee determines; | √ | | |
| 7(1)(viii) | Audit or certification services on compliance of corporate governance as required under condition No.9(1); and | √ | | |
| 7(1)(ix) | Any other service that creates conflict of interest. | √ | | |
| **7(2)** | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: | √ | | |
| **7(3)** | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | √ | | |
| **8** | **Maintaining a website by the Company:-** | | | |
| **8(1)** | The company shall have an official website linked with the website of the stock exchange. | √ | | |
| **8(2)** | The company shall keep the website functional from the date of listing. | √ | | |
| **8(3)** | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | √ | | |
| **9** | **Reporting and Compliance of Corporate Governance.-** | | | |
| **9(1)** | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | | |
| **9(2)** | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting. | √ | | |
| **9(3)** | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | √ | | |

## Certificate of Compliance with the Insurers' Corporate Governance Guidelines - 2023 issued to Reliance Insurance PLC for the year ended 31 December 2025;

We have examined the Corporate Governance Compliance status of Reliance Insurance PLC with the conditions of the Insurers' Corporate Governance Guideline 2023 which is a requirement under condition 19(2) of the Guideline issued by the Insurance Development and Regulatory Authority (IDRA) Circular No. 53.03.000.075.22.025.2020.230 dated 19 October 2023 for the year ended on 31st December 2025.

Such compliance with the Corporate Governance Guidelines 2023 issued by IDRA is the responsibility of the Company management. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the requirements of the Corporate Governance Guidelines 2023 condition 19(2). This is a scrutiny and verification and an independent audit on compliance required as per Corporate Governance Guidelines 2023.

We state that we have obtained all the information and explanations, which we have required and the company management confirmed regarding the compliance with the Insurer's Corporate Governance Guidelines 2023 in a detail check list, after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has recognized the Insurers' Corporate Governance Guidelines 2023 issued by IDRA and appointed independent corporate governance compliance auditor on 3rd April 2024 as stipulated in the conditions ofthe above-mentioned Guidelines.

(b) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws & regulations. and

(c) The Corporate Governance Compliance status ofthe company is satisfactory.

**Signed with date**
MNA Associates, Chartered Secretary;

M Nurul Alam FCS, CCEP-I
Chief Executive Officer
Dated February 26, 2026

# Status of Compliance in Accordance with the ICGG

**Annexure-A**

**Status of compliance in accordance with the Insurers' Corporate Governance Guidelines-2023 (CGG-2023)issued by the Insurance Development and Regulatory Authority(IDRA) Circular No.53.03.000.075.22.025.2020.230 dated 19 October 2023**

**For the year ended 31st December 2025**

[Subsequent check list is an integrated part of Certification under IDRA's CGG-2023, Serial No. 19 (2)]

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **6.** | **Board of Directors:** | | | |
| 6.1 | Formation of Board of Directors:<br>The maximum number of Directors of that company shall, notwithstanding anything contained in the memorandum of association or articles of association of the company, not exceed 20 (twenty) and in that case 12 (twelve) shall be sponsor Directors, 6(six) shall be Directors holding public share and 2 (two) shall be independent Directors. | √ | | Board is comprised of 16 Members including 3 Independent Directors |
| 6.2 | Board of Directors:<br>The Company shall have procedures for the appointment and re-appointment of directors. | √ | | This procedure is mentioned in the Articles of Association of the Company. |
| 6.2.(a) | Qualifications of Directors: A Director, | | | |
| 6.2(a)(1) | who has not been declared insolvent by a competent court and has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan advance to a bank or financial institution in Bangladesh or elsewhere. | √ | | No such event occurred |
| 6.2(a)(1)(2) | who has not been convicted in any criminal offence or involved in any fraud, financial crime or any other illegal activity. | √ | | No such event occurred |
| 6.2(a)(1)(3) | who has not been found guilty of violating the rules, regulations or discipline of any regulatory body in Bangladesh or elsewhere. | √ | | No such event occurred |
| 6.2(a)(1)(4) | who has not been found guilty on any legal proceedings. | √ | | No such event occurred |
| 6.2(a)(1)(5) | who has not been found as insurance agent, intermediary, salaried agent, auditor, consultant or actuary in Bangladesh or elsewhere. | √ | | No such event occurred |
| 6(2)(b)(1) | The Chairman and the Vice-Chairman of the Board or Directors of the Company shall be elected by following clause no. 79 of Insurance Act-2010. | √ | | Followed |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6(2)(b)(2) | In absence of Chairman, Vice Chairman will be the Chairman. | √ | | No such event occurred |
| 6(2)(b)(3) | In case of absence of both Chairman and Vice-Chairman in the meeting, the Board of Directors shall elect one Non-Executive Director who will act as the Chairman. | √ | | No such event occurred |
| 6(2)(b)(4) | The absenteeism of both Chairman and Vice-Chairman for the case of serial no. (2) & (3),must be mentioned in the minutes of the meeting. | √ | | No such event occurred |
| 6(3) | Independent Directors: | | | |
| 6(3)(a) | Independent Director is a Director, | | | |
| 6(3)(a)(1) | who is not holding any share of the Company; | √ | | Followed |
| 6(3)(a)(2) | who or whose family members are not sponsors or directors or nominee directors or shareholders of the Insurer. | √ | | No such event occurred |
| 6(3)(a)(3) | who or whose family members are not sponsors, Directors, Shareholder Director or Nominated Director of any Associate, Sister Concern Institute, Subsidiary Institute or Parent Company of Insurer. | √ | | No such event occurred |
| 6(3)(a)(4) | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder director of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who does not hold any share of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company. | √ | | No such event occurred |
| 6(3)(a)(5) | who has not been an executive or advisor of the Insurer in immediately preceding 2 (two) financial years. | √ | | No such event occurred |
| 6(3)(a)(6) | who does not have any financial or other relationship, whether pecuniary or otherwise, with the Insurance company or its subsidiary or associated companies. | √ | | No such event occurred |
| 6(3)(a)(7) | who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years as an Independent Director of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit. | √ | | No such event occurred |
| 6(3)(a)(8) | who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); | √ | | No such event occurred |
| 6(3)(a)(9) | who has not been convicted for a criminal offence involving moral turpitude; | √ | | No such event occurred |
| 6 (3)(b)(1) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM); | √ | | The appointment of "Md. Habibur Rahman Mollah FCA" for a second term and "Mr. Mohammad Zahid Hossain FCA" and "Maria Howlader FCA" for a first term duly approved at the 37th AGM and also approved by BSEC. |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6(3)(b)(2) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; | √ | | No such event occurred |
| 6(3)(b)(3) | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:<br>Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Company's act, 1994 (18 no act of the year of 1994), Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure. | √ | | "Md. Habibur Rahman Mollah FCA" has been re-appointed by the Board as well as has been given consent by BSEC. |
| 6(3)(c) | Qualification of Independent Director:<br>Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business. Qualifications and experience in the following matters will be considered as the qualifications of an independent director- | | | |
| 6(3)(c)(1) | Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale-2015, who has at least educational background of bachelor degree in economics or commerce or business or Law; or | | | N/A |
| 6(3)(c)(2) | University Teacher who has at least educational background of bachelor degree in economics or commerce or business or Law; or | | | N/A |
| 6(3)(c)(3) | Professional who is-<br>• At least an advocate practicing in the High Court Division of the Supreme Court of Bangladesh<br>• Chartered Accountant or Certified Public Accountant (CA/CPA)<br>• Cost and Management Accountant or Chartered Management Accountant (ICMAB or CMA/<br>• CIMA)<br>• Chartered Financial Analyst (CFA Chartered)<br>• Actuary<br>• Chartered Secretary or equivalent qualification<br>• Insurance Professional Accreditation (E.g. FCII, ACII, FLMIL, ABIA)<br>• Any other professional qualification prescribed by the authority; or | √ | | "MD. Habibur Rahman Mollah FCA", "Mr. Mohammad Zahid Hossain FCA", "Maria Howlader FCA" all three IDs possess requisite qualifications. |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6(3)(c)(4) | Actuarial science or finance and accounts or management or economics or Authority prescribed any other educational qualification.;<br>[(Explanation: Must have at least 10 (ten) years of experience in any of the above (2) and (3) and (4) series) or] | | | N/A |
| 6(3)(c)(5) | Any officer holding a senior business position in a private or multinational company with at least 15 (Fifteen) years of experience, subject to the prior approval of the authorities; or | √ | | All three IDs possess requisite qualifications. |
| 6(3)(c)(6) | who has been working as a Chief Executive Officer or Managing Director of an authorized bank or insurance or financial institution and at least 3 (three) years have elapsed since his retirement or resignation from the said post. | √ | | |
| 6(4) | Role of the Board of Directors:<br>• Formulating and implementing institutional business material direction, policies, strategies and risk management policies;<br>• Taking action accordingly considering capital requirements, income and expenditure, insurer and shareholder expectations and potential profit and loss;<br>• To confirm that all circulars, policies and acts should be followed strictly;<br>• Formulating and controlling various structures to identify the problem and take the necessary action for solving;<br>• Encouraging employees to report any violation of circular, policy or law by implementing whistle blowing policy and various other policies;<br>• Identifying, monitoring and resolving conflicts of interest of directors, employees and shareholders;<br>• Related party transaction and any other transaction should be monitored and controlled;<br>• Ethics and good governance practices should be encouraged and related issues should be identified and addressed. | √ | | Implementing and following |
| 6(5) | Code of Conduct of Board of Directors: | | | |
| 6(5)(a) | The Board of Directors shall formulate a code of conduct for all officers/employees including the Chairman of the Board, members of the Board, Chief Executive Officer of the Company on the recommendation of the 'Nomination and Remuneration Committee' (NRC). Code of conduct includes issues that contribute to ensuring good governance, prudent conduct, confidentiality, conflict of interest; Compliance with laws and regulations; This will include working environment, relations with employees, insurers and stakeholders etc. | | | Formulated |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 6(5)(b) | All board members and senior executives must ensure compliance with the Code of Conduct on an annual basis by providing a signed declaration. All board members should maintain standards of ethics and business conduct and impose an obligation on all officers/ employees employed by the company to uphold those standards. | | | Ensured and imposed |
| **7** | **Board of Directors' Committees:** | | | |
| 7(1) | For ensuring good governance in the company, the Board shall have at least following sub-committees:<br>• Audit Committee;<br>• NRC;<br>• Investment Committee;<br>• Risk Management Committee;<br>• Policyholder protection & Compliance Committee. | √ | | Formulated |
| 7(2) | Audit Committee: | | | |
| 7(2)(a) | The company shall have an Audit Committee as a subcommittee of the Board and it shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. | √ | | Formulated |
| 7(2)(b) | Constitution of the Audit Committee: | | | |
| 7(2)(b)(1) | The Audit Committee shall be composed of at least 3 (three) members; | √ | | The Audit Committee is composed of 4 (Four) members. |
| 7(2)(b)(2) | The Board shall appoint members of the Audit Committee who shall be non- executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director; | √ | | All the members are non-executive directors and there are 2 (Two) independent directors. |
| 7(2)(b)(3) | All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background with 10 (ten) years of such experience; | √ | | Followed |
| 7(2)(b)(4) | If any member of the Committee is unable to hold office for any reasonable reason before the expiration or expiration of the term, the vacant office shall be filled within 1 (one) month from the date of vacancy; | √ | | No such event occurred |
| 7(2)(b)(5) | The company secretary shall act as the secretary of the Committee. | √ | | Followed |
| 7(2)(c) | Chairperson of the Audit Committee: | | | |
| 7(2)(c)(1) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | √ | | The independent director "MD Habibur Rahman Mollah FCA" is the Committee Chairperson |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 7(2)(c)(2) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. There should be at least one Independent Director present in the meeting; | √ | | No such event occurred |
| 7(2)(c)(3) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);<br>Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM. | √ | | Followed |
| 7(2)(d) | Meeting of the Audit Committee: | | | |
| 7(2)(d)(1) | The Audit Committee shall conduct at least its four meetings in a financial year;<br>Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; | √ | | The Audit Committee held 4 (Four) Meetings during the year |
| 7(2)(d)(2) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | √ | | Followed |
| 7(2)(e) | Role of the Audit Committee: | | | |
| 7(2)(e)(1) | Ensuring appropriate internal control over financial reporting, including evaluating the insurer's accounting policy, practices and reviewing financial reporting and disclosures therein. | √ | | Followed |
| 7(2)(e)(2) | The audit committee shall examine whether the financial statements reflect complete and accurate information and determine whether the statements have been prepared in accordance with the laws, regulations and rules and accounting standards prevailing in the country; | √ | | Followed |
| 7(2)(e)(3) | Recommending the appointment of the external auditor after ascertaining his competence and availability; | √ | | Followed |
| 7(2)(e)(4) | Determine the audit fee based on the audit plan, scope and scope of work, efficiency and time required for an effective audit | √ | | Followed |
| 7(2)(e)(5) | Review the results of external audits and evaluate the impact of audits on financial reporting and internal controls, take necessary corrective actions and review the performance of external auditors; | √ | | Followed |
| 7(2)(e)(6) | Evaluating the efficiency and effectiveness of the internal audit structure and reviewing the internal audit plan report prepared by the internal audit and taking necessary corrective action; | √ | | Followed |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 7(2)(e)(7) | To check whether the findings and recommendations of internal audit are properly considered by the management; | √ | | Followed |
| 7(2)(e)(8) | Evaluate of internal control, risk management, employee awareness of responsibility, regular communication and assess if the complaint is addressed or not; | √ | | Followed |
| 7(2)(e)(9) | To review and present to the Board the necessary actions taken/to be taken by the management in consideration of reports relating to fraud, deficiencies in internal control or problems identified by the internal and external auditors and inspector(s) of the regulatory authority; | √ | | Followed |
| 7(2)(e)(10) | To review compliance with laws, regulations and directives made by authorities and other bodies and internal rules and policies approved by the Board; | √ | | Followed |
| 7(2)(e)(11) | Carry out the objectives and functions set by the Board of Directors and evaluate the committee's own performance regularly. | √ | | Followed |
| 7(2)(f) | Rights of Audit Committee:<br>The Audit Committee shall have unfettered access to all relevant data, reports, documents and information along with the Chief Executive, Internal Audit Committee / Head of Structure, Actuary and all concerned officers. | √ | | Followed |
| 7(2)(g) | Reporting of the Audit Committee: | | | |
| 7(2)(g)(1) | The Audit Committee shall report on its activities to the Board. | √ | | Followed |
| 7(2)(g)(2) | The Audit Committee shall immediately report to the Board of Directors, if the situation is-<br>• report on conflicts of interests;<br>• suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;<br>• suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations or business losses ;<br>• any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately. | √ | | No such event occurred |
| 7(2)(g)(3) | Reporting to the Authorities:<br>If the Audit Committee has reported to the Board and the Management about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for two times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | √ | | No such event occurred |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 7(2)(g)(4) | Reporting to Shareholders and General Investors:<br>Report on activities carried out by the Audit Committee, including any report of the Audit Committee submitted to the Board of Directors to be published in the annual report of the said financial year. | √ | | No such event occurred |
| **8** | **Nomination & Remuneration Committee (NRC):** | | | |
| 8(a) | As a sub-committee of the Board of Directors, the Nomination and Remuneration Committee (NRC) shall provide necessary assistance to the Board of Directors in determining the qualifications, skills, experience, personality of all officers including senior management and formulating standards/policies for their remuneration/ honorium/salary (where applicable) will provide. | √ | | Followed |
| 8(b) | Constitution of the NRC: | | | |
| 8(b)(1) | Members of the Committee shall be nominated and appointed by the Board; | √ | | |
| 8(b)(2) | The Committee shall comprise of at least four members including an independent director. All members shall be non-executive directors; | √ | | The NRC is composed of 4 (Four) members. |
| 8(b)(3) | The Chairperson of the Board of Directors may be included in this committee. but shall not hold the office of Chairperson of this Committee; | √ | | No such event occurred |
| 8(b)(4) | The Board of Directors shall have power to appoint and remove any member from the Committee. However, the reason for removal shall be clearly recorded in the minutes of the meeting of the Board of Directors; | √ | | Followed |
| 8(b)(5) | In case of death, resignation, disqualification or removal of any member of the Committee or in case of any vacancy, the Board of Directors shall fill up the vacancy within 180 (one hundred and eighty) days from the date of vacancy of the Committee. | √ | | No such event occurred |
| 8(b)(6) | The company secretary shall act as the secretary of the Committee; | √ | | Followed |
| 8(b)(7) | The chairperson of the committee may appoint or co-opt as advisors among the external experts and/or staff members who are not affiliated with the said company or cannot vote on the committee, as necessary or in the evaluation of personnel or relevant matters. | √ | | No such event occurred |
| 8(c) | Chairperson of the NRC: | | | |
| 8(c)(1) | The Board shall elect a Director as Chairperson of the Committee; | √ | | The independent director "Md Zahid Hossain FCA" is the Committee Chairperson |
| 8(c)(2) | In the absence of the Chairperson, the remaining members shall elect one person from among themselves as Chairperson for that meeting. However, the reason for the absence of the regular Chairperson shall be duly recorded in the minutes; | √ | | No such event occurred |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 8(c)(3) | The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders:<br>Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. | √ | | |
| 8(d) | Meeting of the NRC: | | | |
| 8(d)(1) | The NRC shall conduct at least two meetings in a financial year; | √ | | The NRC held 2 (Two) meetings during the period |
| 8(d)(2) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | | No such event occurred |
| 8(d)(3) | The quorum of the meeting shall be the presence of two members of the committee or two thirds of the members, whichever is higher. Provided that the said meeting must be attended by an independent director; | √ | | Followed |
| 8(d)(4) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC; | √ | | Followed |
| 8(d)(5) | NRC members shall not directly or indirectly receive any honorarium/remuneration other than director's fee or honorarium from the Company except in an advisory or consulting role. | √ | | Followed |
| 8(e) | Role of the NRC: | | | |
| 8(e)(1) | The NRC shall perform its duties in accordance with the terms of reference prescribed by the Board of Directors. NRC is accountable to the Board of Directors and shareholders; | √ | | Followed |
| 8(e)(2) | The NRC shall monitor the following matters and submit a report/ recommendation to the Board of Directors: | | | |
| 8(e)(2)(a) | To propose to the Board of Directors a policy regarding the remuneration/remuneration of Directors, Senior Management considering the following matters: | | | |
| 8(e)(2)(a)(1) | The remuneration/remuneration structure should be reasonable which will help in recruiting and retaining competent employees in the company; | √ | | Followed |
| 8(e)(2)(a)(2) | The Remuneration policy will be transparent and it will be sufficient to increase the performance of the employees; | √ | | Followed |
| 8(e)(2)(a)(3) | The structure of remuneration will be uncomplicated and the rationale and administration of the structure will be straightforward; | √ | | Followed |
| 8(e)(2)(a)(4) | Determinants of rewards, potential value of rewards and identification and elimination of risks, identification of efficient officers and employees in the success of the company and strategy of awarding etc. should be clearly mentioned in the policy. | √ | | Followed |



| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 8(e)(2)(b) | To recommend to the Board of Directors by identifying those who are eligible to be appointed in the top executive positions according to the prescribed criteria; | √ | | Followed |
| 8(e)(2)(c) | Formulation the criteria for evaluating of performance of independent directors and board of directors; | √ | | Followed |
| 8(e)(2)(d) | Identifying the needs of the company and determining the criteria for selection, transfer, replacement and promotion of employees in various departments; and | √ | | Followed |
| 8(e)(2)(e) | Annual review of the company's human resources and training policies, including recommendations for improvement; | √ | | Followed |
| 8(e)(3) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | √ | | Followed |
| **9** | **Investment Committee:** | | | |
| 9(a) | There will be an Investment Committee as a sub-committee of the Board of Directors for supervision of the Company's investment portfolio in the interest of customers, shareholders and stakeholders. | √ | | Followed |
| 9(b) | Constitution of the Investment Committee and its meetings: | | | |
| 9(b)(1) | Board of Directors consisting of at least 5 (five) members of Investment Committee and the committee members shall appoint one director as chairman; | √ | | "Rajib Prasad Saha" is the Committee Chairperson |
| 9(b)(2) | The quorum of the meeting of the Committee shall be constituted in presence of three members. The Chief Executive Officer will be an ex-officio member of the Committee. However, he shall have no voting power at the meeting. The committee may invite the chief financial officer, chief investment officer and chief risk officer of the insurance company to attend the meeting for cooperation; | √ | | Followed |
| 9(b)(3) | The company secretary shall act as the secretary of the Committee and the proceedings of each meeting of the Committee shall duly be recorded in the minutes. | √ | | |
| 9(c) | Role of Investment Committee: | | | |
| 9(c)(1) | Prepare an effective investment policy in due compliance with the investment related provisions of the Insurance Act, 2010 and recommend to the Board of Directors for its approval; | √ | | Followed |
| 9(c)(2) | The Investment Committee shall have access to all information, documents, reports etc. relating to the investment of the insurance company; | √ | | Followed |
| 9(c)(3) | The committee will monitor and review the investment and investment related income on monthly basis and will inform it to the Board of Directors; | √ | | Followed |
| 9(c)(4) | Before investing, considering the investment risk will ensure the suitability of the investment; | √ | | Followed |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 9(c)(5) | Ensure investment with a view to timely and properly repayment to the insurer and review the investment related risk and performance on a quarterly basis, | √ | | Followed |
| 9(c)(6) | Ensure that necessary measures shall be taken to reduce the investment risks; | √ | | Followed |
| 9(c)(7) | The Committee may, if necessary, take the advice of suitable experts; | √ | | No such event occurred |
| 9(c)(8) | Ensure maintenance of necessary solvency and advise the Board of Directors in this regard; | √ | | Followed |
| 9(c)(9) | Ensure that funds of the insurer shall not invest for the benefit of any member of the Board of Directors, | √ | | Followed |
| 9(c)(10) | Ensure that capital losses on investments shall disclose in the financial statements. | √ | | Followed |
| 9(c)(11) | Oversee the use of fixed assets and the accounting of rental income if any; | √ | | Followed |
| 9(c)(12) | Supervise the protection of assets of the insurer; | √ | | Followed |
| 9(c)(13) | Perform any other investment related duties as may be assigned by the Board of Directors. | √ | | Followed |
| **10** | **Risk Management Committee:** | | | |
| 10(a) | The Risk Management Committee shall be a sub-committee of the Board of Directors to play an effective role in implementing the strategies and action plans formulated by the Board of Directors to mitigate the cited and potential risks and to properly discharge the responsibilities of the Board of Directors in this regard. | √ | | Followed |
| 10(b) | Constitution of the Risk Management Committee and its meetings: | | | |
| 10(b)(1) | The Board of Directors shall consist of 3 (three) directors including at least 1 independent director. The members of the Committee shall appoint 1 Director as Chairman. At least 1 (one) member of the Risk Management Committee shall be selected from among the members of the Audit Committee. In the absence of the Chairperson of the Risk Management Committee, the remaining members may elect one person from among themselves as the Chairperson of the meeting. But in that case, the reason of the absence of the regular Chairperson shall be duly recorded in the minutes of the meeting; | √ | | Followed |
| 10(b)(2) | The quorum of the meeting of the Committee shall be constituted in presence of two members.<br>However, the Committee may call upon the Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Chief Risk Officer to assist the Committee; | √ | | Followed |
| 10(b)(3) | The Company Secretary shall act as the secretary of the Committee; | √ | | |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 10(b)(4) | The members of the committee shall have proper understanding and knowledge about the insurer's business, management, risks and related matters and responsibilities and duties as the committee members. The Committee members may invite risk management experts to Committee meetings from time to time. However, in that case, the experts shall not have voting rights. | √ | | Followed |
| 10(c) | Role of the Risk Management Committee: | | | |
| 10(c)(1) | It is the responsibility of the Risk Management Committee to determine the risks of various activities of the organization and to formulate and ensure proper implementation of appropriate strategies for controlling them. The risk management committee will review the risk management policies and procedures of the organization and take measures to revise them if necessary. The Risk Management Committee shall take the effective prevention and control risk management procedure.<br>**Risk management policies and procedures:**<br>There should be a clear and well-documented policy for risk management. The definition and classification of the risks to which the company is exposed and the procedure for determining the risk limits for each risk shall be included in the insurer's written policy. Processes should be in place for risk identification, assessment, monitoring and reporting including internal models. | √ | | Followed |
| 10(c)(2) | Determining risk thresholds and evaluating cost-benefit comparisons and qualitative reviews of identified risks and reporting to the Board. | √ | | Followed |
| 10(c)(3) | Conducting overall supervision including determination of institutional risk for all risks such as insurance risk, current context risk, liquidity risk, business risk, compliance risk, legal risk etc. | √ | | Followed |
| 10(c)(4) | To provide necessary advice to the Board on corporate strategy, mergers and acquisitions and business risk mitigation decisions. | √ | | Followed |
| 10(c)(5) | Monitoring and reviewing updated information on relevant matters including business continuity. | √ | | Followed |
| 10(c)(6) | Adoption/preparation of appropriate action plans in existing systems to mitigate risks. | √ | | Followed |
| 10(c)(7) | Assisting the company in doing the required solvency margin provided by the authorities by reviewing the solvency margin of the company and knowing how to resolve the same with details of the risks identified and submitting reports to the Board. | √ | | Followed |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **11** | **Policyholder Protection & Compliance Committee:** | | | |
| 11(a) | There shall be a Policyholder Protection & Compliance Committee as a sub-committee of the Board of Directors to review the grievances of the Insurers for quick settlement and protection of interests and to carry out the duties assigned by the Board of Directors in this regard. | √ | | Followed |
| 11(b) | Constitution of Policyholder Protection & Compliance Committee and its meetings: | | | |
| 11(b)(1) | The Committee shall consist of 3 (three) directors including at least 1 independent director and the committee members will appoint 1 director as Chairman. | √ | | The independent director "MD Habibur Rahman Mollah FCA" is the Committee Chairperson |
| 11(b)(2) | The quorum of the meeting of the Committee shall be constituted in presence of two members.<br>In the absence of the chairperson of the committee, the remaining members may elect one person from among themselves as the chairperson of the meeting. However, in that case the reason for the absence of the regular Chairperson shall be duly recorded in the minutes of the meeting; | √ | | Followed |
| 11(b)(3) | The Company Secretary shall act as the secretary of the Committee; | √ | | |
| 11(c) | Role of the Policyholder Protection & Compliance Committee: | | | |
| 11(c)(1) | To review customer complaints and providing recommendations to the Board of Directors for the purpose of speedy resolution of complaints and overseeing the implementation of complaint resolution activities in accordance with the policy; | √ | | Followed |
| 11(c)(2) | To submit regular reports to the Board of Directors regarding the number, nature, time of settlement and details of the complaints of the insured; | √ | | Followed |
| 11(c)(3) | Defining service level agreements, clear claim servicing parameters, standard operating procedures etc; | √ | | Followed |
| 11(c)(4) | Procedures for expediting settlement of filed insurance complaints, details of complaints including outstanding, matters to be done in relation to insurance claims, etc. including customer service related laws, regulations and decisions of authorities and necessary measures to ensure the company's commitments. to accept; | √ | | Followed |
| 11(c)(5) | To oversee the implementation of various initiatives undertaken by the company to inform customer awareness and insurance related knowledge. | √ | | Followed |
| **12** | **Senior Management and key personnel:** | | | |
| 12(a) | The Board of Directors should have a policy of recruiting qualified and competent senior management/key personnel for the day-to-day management of the insurance company and retaining them in the company; | √ | | Followed |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 12(b) | Recruitment of Senior Management and Key Personnel: | | | |
| 12(b)(1) | The company will have senior management/key personnel positions such as: Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Head of Internal Audit and Compliance (HIAC) etc. ; | √ | | Followed |
| 12(b)(2) | Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS), Chief Investment Officer (CIO), Chief Risk Officer (CRO) and Head of Internal Audit and Compliance (HIAC) – these posts shall be filled by different qualified persons; | √ | | Followed |
| 12(b)(3) | Board of Directors shall determine the roles, responsibilities and duties of Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Head of Internal Audit and Compliance (HIAC) etc; | √ | | Followed |
| 12(b)(4) | The Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS), Chief Investment Officer (CIO), Chief Risk Officer (CRO) and Head of Internal Audit and Compliance (HIAC) will not hold executive positions in any other company at the same time. | √ | | Followed |
| 12(c) | Necessity to attend the Board of Directors Meetings:<br>• The Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS) of the Company shall attend the Board meetings;<br>• Provided that the Head of Internal Audit and Compliance (HIAC), Chief Investment Officer (CIO) and Chief Risk Officer (CRO) will attend the meeting if any matter related to their activities is included in the agenda or agenda of the meeting.<br>• Provided further that the concerned officer shall not attend the said board meeting if there is an agenda or agenda related to his personal matter of any of the said officers. | √ | | Followed |
| 12.1 | Managing Director/Chief Executive Officer (CEO): | | | |
| 12(1)(a) | The Board of Directors shall appoint the Chief Executive Officer of the insurer in accordance with the "Insurance Companies (Appointment and Removal of Chief Executive Officers) Rules, 2012; | √ | | Followed |
| 12(1)(b) | The Chief Executive Officer shall regularly provide reports to the Board of Directors containing clear, understandable, accurate, timely and relevant information. In cases where the consideration, decision or approval of the Board of Directors comes to the notice of the Chief Executive Officer, he shall inform the Board of Directors as soon as possible; | √ | | Followed |
| 12(1)(c) | The Chief Executive Officer shall be accountable to the Board of Directors for his performance and his direction, management and performance of the Company; | √ | | Followed |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 12(1)(d) | In addition to the above, the following matters shall be included in the role and responsibilities of the Chief Executive Officer- | | | |
| 12(1)(d)(1) | To assist the Board of Directors in formulating and promoting a clear vision and direction of the Company. | √ | | Followed |
| 12(1)(d)(2) | To provide leadership in achieving the vision and goals set by the Board of Directors, | √ | | Followed |
| 12(1)(d)(3) | To ensure compliance with legal and regulatory frameworks to the day-to-day professional and administrative activities of the insurer in addition to the framework set by the Board of Directors; | √ | | Followed |
| 12(1)(d)(4) | To ensure development and implementation of all functions and strategies including risk management and internal controls; | √ | | Followed |
| 12(1)(d)(5) | To assist the Board of Directors in developing policies, procedures and governance to ensure effective implementation of the Company's strategy; | √ | | Followed |
| 12(1)(d)(6) | To evaluate the performance of other executive leadership including different department heads of the company; | √ | | Followed |
| 12(1)(d)(7) | The Chief Executive Officer shall certify that, to the best of his ability, knowledge and belief that no transactions have been made during the year by the Company which are fraudulent, illegal or in violation of the company's code of conduct and this certification will be disclosed in the annual report. | √ | | Disclosed in the Annual Report |
| 12(2) | **Responsibilities of Senior Management and Key Personnel:**<br>The Board of Directors shall determine and ensure adherence to the Charter of Duties for each position, clarifying and defining the roles, responsibilities and duties of the Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Chief Investment Officer (CIO), Chief Risk Officer CRO), Head of Internal Audit and Compliance (HIAC) and Senior Management & Key Personnel. | √ | | Followed |
| 12(3) | Appointed Actuaries: | | | |
| 12(3)(a) | Actuaries shall be conducted in accordance with the Insurance Act, 2010 and the rules relating thereto; | | | N/A |
| 12(3)(b) | Actuarial valuation of the financial matters arising from the insurance scheme in accordance with the applicable rules and regulations of the competent authority; | | | N/A |
| 12(3)(c) | The appointed actuary should not hold any position within or outside the insurer which may create a conflict of interest or compromise professional impartiality; | | | N/A |
| 12(3)(d) | If the appointed Actuary is not a salaried employee of the company, the Board must determine whether there is a potential conflict of interest from the outside actuary (such as whether the employing firm provides audits or other services to the insurer). If any potential conflict of interest exists, Board should take appropriate measures to control it; | | | N/A |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 12(3)(e) | The appointed actuary should be able to report to the external auditor on important matters; | | | N/A |
| 12(3)(f) | The role and responsibilities of the appointed actuary should include the following: | | | |
| 12(3)(f)(1) | Determining or relating to proper actuarial valuation and appropriate technical provisions and providing feedback; | | | N/A |
| 12(3)(f)(2) | To provide professional advice or certification to the Board on the following matters:<br>• To measure whether technical provisions are in compliance with valuation framework or not.<br>• To identify and quantify the organizational risks and taking appropriate risk mitigation measures.<br>• To check the financial position.<br>• Required Solvency Margin.<br>• Accuracy of Premium and surrender Values.<br>• Management of Participating Funds including impact analysis of conditions arising from strategies and policies.<br>• Other regulations related to product development/ innovation, reinsurance including risk mitigation and risk management. | | | N/A |
| **13.** | **Other Committees of Insurance Companies:**<br>• To achieve the objectives and requirements of the insurance company, the Company may constitute the following committees and the Board of Directors shall clearly define the responsibilities of the committees.<br>• Corporate Social Responsibility (CSR) Committee<br>• ESG (Environmental, Social, and Governance) Committee<br>• Integrity and Ethics Committee<br>• Reinsurance and Retrocession Committee<br>• Asset Liability Management (ALM) Committee | | | N/A |
| **14** | **Disclosure of information regarding Board of Directors and Committee Meetings:** | | | |
| 14(1) | Meeting of the Board of Directors: The company shall record, preserve and disclose the minutes of its meetings where applicable; | √ | | Followed |
| 14(2) | The Code of Conduct of all Employees including Chairman of the Board, Members of the Board and Chief Executive Officer will be disclosed on the Company's website. | √ | | Followed |
| 14(3) | The Board of Directors/Board shall disclose the following matters in conducting their meetings: | | | |
| 14(3)(a) | Number of meetings of the Board of Directors and Committees in a financial year; | √ | | Disclosed in the Annual Report |
| 14(3)(b) | Details of the composition of the Board of Directors and the names of the mandatory committees, qualifications, competencies and areas of specialization (if any), status of directors etc. | √ | | Disclosed in the Annual Report |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 14(3)(c) | Particulars of remuneration paid to all directors (including independent directors), if any; | √ | | Disclosed in the Annual Report |
| 14(3)(d) | Other relevant information. | √ | | Disclosed in the Annual Report |
| **15** | **Related party transactions:** | | | |
| 15(a) | To ensure proper management of insurers and protection of interests of insurers and stakeholders, to approve and conduct related party transactions in a specified manner, to identify related party transactions and to formulate necessary policies on the following matters: | | | |
| 15(a)(1) | Definition of transactions and specific procedures for transactions in insurance business; | √ | | Disclosed in the Annual Report |
| 15(a)(2) | Method of pricing; | √ | | Disclosed in the Annual Report |
| 15(a)(3) | List of matters requiring approval from the Authority, any other policy-making body (where applicable), the insurer's audit committee, board/board of directors, shareholders; | | | N/A |
| 15(a)(4) | Related party transactions related matters; | √ | | Disclosed in the Annual Report |
| 15(b) | Avoid related party transactions as far as possible; | | | Followed |
| 15(c) | If it is not possible to avoid related party transactions, the management authority should ensure that the transaction is an arm's length transaction and the documents related to the transaction must be recorded; | √ | | Followed |
| 15(d) | The Board of Directors shall review the related party transactions to ensure that no irregularities are committed or any stakeholder is harmed by the related party transactions; | √ | | Followed |
| 15(e) | In the case of transactions involving assets, services, transfers, etc among related party transitions, the financial statements must disclose the nature of the relationship, the details of the transactions (dues, matters specified in the contract, etc) | √ | | Followed |
| 15(f) | In the case of related party transactions, the authorities can verify the same and provide necessary instructions in applicable cases with the aim of controlling misuse, fraud and prevention of financial losses. | √ | | No such event occurred |
| 15(g) | Group companies shall ensure overall review, compliance and proper safeguarding of insurance cover provided by the insurance company, financial disclosures payable to the group of insurers from policyholders' funds and related party transactions. | √ | | N/A |
| **16** | **Corporate Social Responsibility (CSR):**<br>All insurance companies shall ensure corporate social responsibility in order to comply with the laws and regulations of the authorities. The insurer's annual report shall compulsorily disclose the extent of corporate social responsibility along with the audited financial statements. | √ | | Followed |

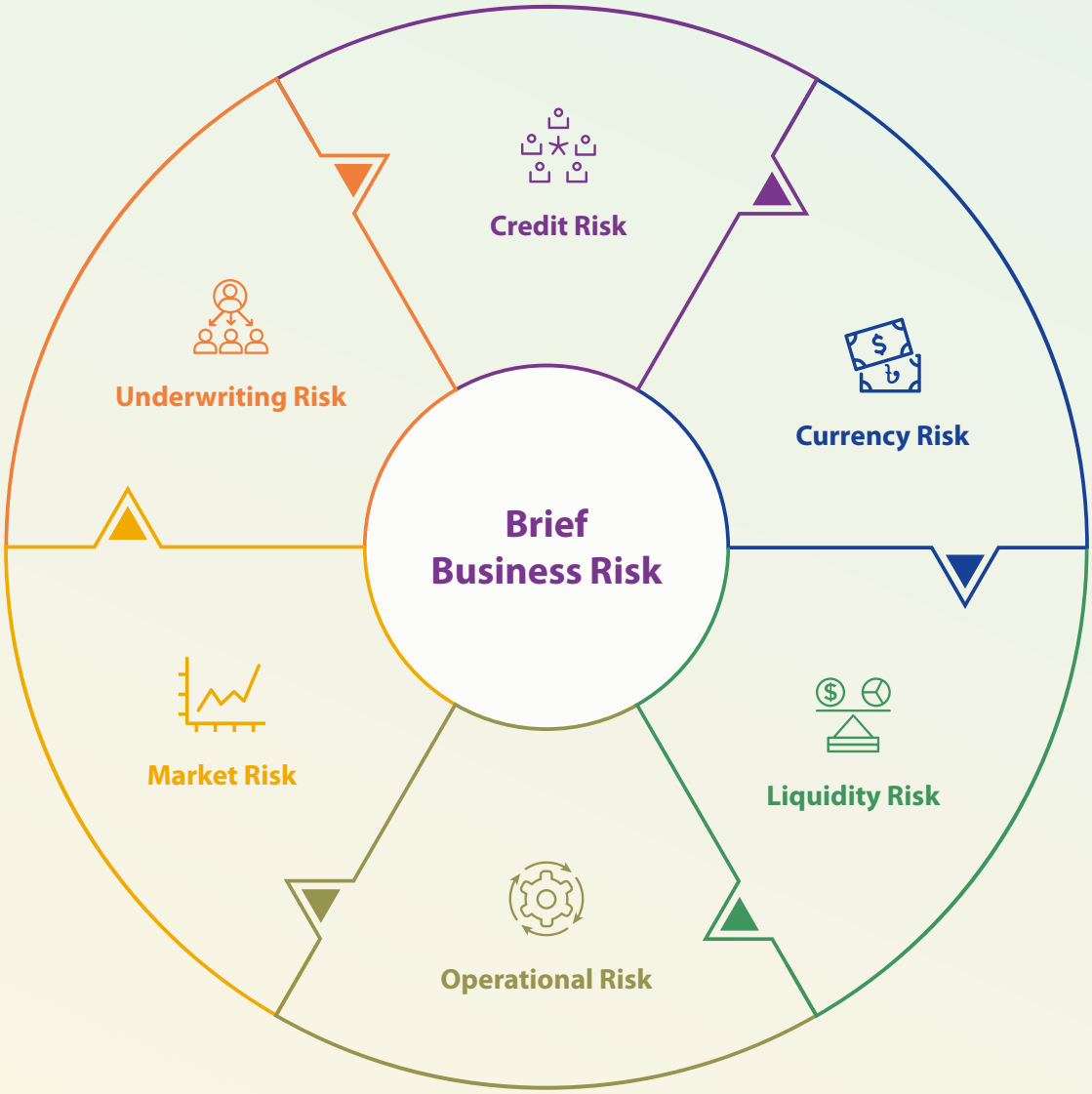
| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| **17** | **Insurer's Policies:**<br>Apart from the aforementioned policies, formulation and implementation of the following policies by the insurer will be helpful for corporate governance: | | | |
| 17(1) | **Whistle Blowing Policy:**<br>Insurers should formulate a Whistle Blowing Policy so that any officer-employees, their representatives, external stakeholders, internal stakeholders can report to the Board about inappropriate behavior/activities, it may include the following methods: | | | |
| 17(1)(1) | The Board should delegate responsibility for the implementation and review of whistle-blowing practices to one of the Board's companies with clear allocations. | √ | | Followed |
| 17(1)(2) | The Board should establish an internal unit, provide regular training to those responsible for overseeing whistle-blowing reports, including any appeals filed by persons involved in the investigation of complaints. | √ | | Followed |
| 17(1)(3) | The committee responsible for whistle-blowing matters should ensure that the officers and employees are aware of the report/submission of the report and the procedure for disposal of the report submitted by them. | √ | | Followed |
| 17(1)(4) | The whistle-blowing structure should empower appointed actuary and external auditor to carry out key responsibilities. If the insurer fails to take appropriate action in matters related to the interests of the insured and suffers financial loss, it may submit a timely report to the Board of Directors and authorities. | √ | | Followed |
| 17(2)(a) | Other Policies: The following policies may be formulated and implemented in support of good governance under this paragraph-<br>Asset and Liability Management Policies, Underwriting Policy, Reinsurance Policy, Insurance Claims Payment Related Policy, Employee's Conduct of Conduct, Corporate Social Responsibility (CSR) Policy, Integrity Strategy, Gender Equality Policy, Human Resource Management Policy, Accounting Policies, Anti-Corruption Policy, Anti-Discrimination Policy, Information Technology Policy. | √ | | Followed |
| 17(2)(b) | In addition, the Company may formulate such other policies as may be deemed necessary to be conducive to corporate governance. | √ | | Formulated |
| **18** | **Insurer's Disclose able Information Procedures:**<br>**Website Maintenance by the Company:** | | | |
| 18(a) | The company should have an official linked website with the authority; | √ | | Followed |
| 18(b) | The Company shall disclose necessary information on its website and keep it updated. The following content shall be regularly updated and uploaded on the Insurer's website for the benefit of the insurance customers: | | | |
| 18(b)(1) | Summaries of audited accounts and actuarial valuation (subsequent) reports of the insurer including annual reports; | √ | | Updated |
| 18(b)(2) | details of the insurance plan including benefits | √ | | Updated |

| Serial No. | Title | Compliance Status (Put √ in the appropriate column) | | Remarks (if any) |
|---|---|---|---|---|
| | | Complied | Not Complied | |
| 18(b)(3) | Chairman of the insurer, chairman of all sub-committees of the board of directors, directors, chief executive officer, advisers, consultants, list of all officers of the head office and branch (including mobile number & department); and | √ | | Updated |
| 18(b)(4) | Any other information prescribed by the Authority from time to time for disclosure. | √ | | Updated |
| **19** | **Annual Review Report on Corporate Governance:** | | | |
| 19(1) | A self-assessment report prepared on an annual basis by the management regarding compliance with the corporate governance described in this guideline shall be submitted to the authority within 31st January of the following year and the main points of this report shall be included in the annual report of the company. | √ | | Disclosed in the Annual Report |
| 19(2) | A certificate of compliance by the insurer with the terms of the Corporate Governance Guidelines shall be obtained on an annual basis from a chartered accountant or Cost management accountant or chartered secretary other than the insurer's external or statutory auditor or audit firm and shall publish the same in the annual report. | √ | | Disclosed in the Annual Report |
| 19(3) | The issuer of the certificate of compliance with the conditions of corporate governance mentioned in Serial-19(2)shall be appointed at the Annual General Meeting of the shareholders. | √ | | Appointed |

# Brief Summary of Business & Other Risks and Managing Such Risks

### Summary of business and other risks

Non-life insurance industry in 2025 was another challenging year because of modest premium growth, volatile financial market, low interests and various regulatory burdens. Insurance industry has not been able to walk at a steady pace with the economic growth of the country. Our non life insurance sector continues to be over crowed in comparison with our neighbour countries. the non life insurance market remains competitive because of existence of 45 privately owned insurers and 1 state owned corporation in this market.



## Categories of risks

### Underwriting risk

Underwriting risk is defined as the risk of insured losses being higher than our expectations. The premium and reserve risks are significant components of the underwriting risk. Insurance underwriters evaluate the risk and exposures of the prospective clients to decide how much coverage the client should receive, how much they should pay for it, or whether to even accept the risk and insure them.

The function of the underwriter is to acquire or to "write"—business that will make the insurance company money, and to protect the company's book of business from risks that they feel will make a loss. In simple terms, it is the process of issuing insurance policies. More generally, the insurer's income is the result of numerous underwriting and decisions made by employees of the insurer. Each decision involves a consideration of the expected underwriting profit, the length of time that the reserve must be held, and the additional capital needed to protect the insurer's solvency. From the owner's perspective, the results of the individual underwriting decisions do not matter as long as the total income is large enough to provide a competitive return on the investment. But ultimately, the insurer must make individual underwriting decisions that contribute, in an actuarial sense, to its overall financial objectives.

Underwriting decisions would typically be influenced by PML (Probable Maximum Loss) evaluations, and the amount of reinsurance ceded on a risk would normally be predicated on the PML valuation. PML is the anticipated value of the largest loss that could result from the destruction and the loss of use of property, given the normal functioning of protective features (firewalls, sprinklers, and a responsive fire department, among others, in the case of a fire loss). This number is usually smaller than the maximum foreseeable loss, which assumes the failure of all protective features.

### Credit risk

Credit risk is termed as the financial loss that the insurer could incur as a result of a change in the financial situation of a counter party, such as an issuer of securities or other debtor with liabilities to the insurer. In addition to credit risks arising out of investments and payment transactions with clients, credit risk is assumed through the writing of insurance and reinsurance business, for example in credit and financial reinsurance. In assessing credit risk from a single counter party, an institution should consider two issues:

#### Default probability

What is the likelihood that the counter party will default on its obligation either over the life of the obligation or over some specified horizon, such as a year? Calculated for a one-year horizon, this may be called the expected default frequency.

#### Credit exposure

In the event of a default, how large will the outstanding obligation be when the default occurs? Recovery rate: In the event of a default, what fraction of the exposure may be recovered through bankruptcy proceedings or some other form of settlement?

### Market risk

Market Risk is the risk of economic losses resulting from price changes in the capital markets including equity risk, general and specific interest-rate risk, property risk and currency risk. Market risk is the risk to an institution's financial condition resulting from adverse movements in the level or volatility of market prices of interest rate instruments, equities and currencies. It is usually measured as the potential gain/loss in a position/portfolio that is associated with a price movement of a given probability over a specified time horizon.

Market risk is that the value of an investment will decrease due to moves in market factors and the three standard market risk factors are:

### Equity risk

Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money.

### Interest rate risk

Interest rate risk is the risk that the relative value of an interest-bearing asset, such as a loan or a bond, will worsen due to an interest rate increase. In general, as rates rise, the price of fixed rate bond will fall, and vice versa.

### Currency risk

Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

### Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or due to external events. As large operational risk losses continue to attract media coverage, regulatory concerns about insurance operational risk models are also on the rise. These factors are creating a new wave of demand for operational risk quantification. Internal requirements for better risk management, as well as higher capital requirements from new regulatory regimes are leading companies to explore the risk sensitivity inherent in their methodology and to optimize capital consumption.

An insurer's underlying operational risk profile needs to be thoroughly reviewed across its range of business activities in order to identify and estimate the model input requirements

Operational risk has been recognized as an important risk for insurers as well as for banks. But a challenge for insurers in assessing operational risk is to separate this risk from the loss experience data typically collection for the other underwriting, credit and market risk. Insurers are usually affected by material operational risk exposure, which may reach the same scale of other risk types (such as insurance market and credit risks), depending on the specific business. It is therefore recommended that insurance supervisors, the insurance industry and the actuarial profession work together to develop appropriate research to measure operational risk.

### Liquidity risk

Liquidity is the ability to meet expected and unexpected demands for cash. Specifically, it is a company's ability to meet the cash demands of its policy and contract holders without suffering any (or a very minimal) loss. The liquidity profile of a company is a function of both its assets and liabilities. Liquidity risk is the risk that arises from the difficulty of selling an asset and is inherent in the financial services. An investment may sometimes need to be sold quickly. Unfortunately, an insufficient secondary market may prevent the liquidation or limit the funds that can be generated from the asset.

An institution might lose liquidity if its credit rating falls, it experiences sudden unexpected cash outflows, or some other event causes counterparties to avoid trading with or lending to the institution. A firm is also exposed to liquidity risk if markets on which it depends are subject to loss of liquidity.

In an insurance context, It is important to recognize that stress liquidity risk management is distinct from asset/liability management and capital management issues. It is therefore not generally covered by actuarial opinions and is not included in risk based capital; rather, it is a separate and fundamental area of financial risk management. Liquidity risk is the exposure to loss in the event that insufficient liquid assets will be available, from among the assets supporting the policy obligations, to meet the cash flow requirements of the policyholder obligations when they are due.

### Our principal risk and steps to mitigate risk

Due to the nature of business, Reliance actively seeks to retain risks for which it has to emphasize on effective enterprise risk and capital management. While the Insurance Development and Regulatory Authority (IDRA) of Bangladesh can exercise their immense influence on the operation of insurance business, Reliance always prefers to pay its due attention to the volatility of earning through proper decision making process, improvement of underwriting skills and compliance with the corporate governance. Reliance leave no stone unturned to face the challenges set by not only the customers, investors, rating agencies, and auditors but also by the regulatory body IDRA.

**Reliance Insurance prefers to rightly identify its corporate risks associated with internal and external forces. Such various internal and external risks as addressed by Reliance Insurance include:**

| 1. MARKET DISRUPTION | | |
|---|---|---|
| **STRATEGIC RISKS** | | |
| **Risk identification** | **Impact/Assessment** | **Mitigation** |
| Increased competition due to large number of non life insurance competitor in the industry | The intense competition in the market could reduce demand for our services and impact on revenue. Competitors are investing heavily on marketing. Thus the risk of competitor disruption is higher in this market | • We have developed strategies that strengthen our relationships with new and existing customers.<br>• We continuously monitor competitor's action in the market and react appropriately with a mind market has a fair and competitive environment.<br>• Work is undertaken to improve more in delivering appropriate services for our largest corporate customers. |

| 2. CUSTOMER RELATIONSHIP | | |
|---|---|---|
| **OPERATIONAL RISKS** | | |
| **Risk identification** | **Impact/Assessment** | **Mitigation** |
| Failure in providing superior service to our long-term customers could diminish our reputation and hampering our relationships with customers. | Reliance insurance is operating in competitive market there is always inherent risk for all class of business whether individual or corporations in this sector. | • Superior customer service is the vital component of our business strategy.<br>• We communicate with our customers transparently regarding rate of premium and claims. |

| 3. POLITICAL INSTABILITY | | |
|---|---|---|
| **EXTERNAL RISKS** | | |
| **Risk identification** | **Impact/Assessment** | **Mitigation** |
| Adverse political situations can lead to poor economic condition for the country. | Reliance could be exposed to more operational risk in case of return from investment if political situation in the country remain unstable. | • We continuously reviewing the political situations and always look for opportunities to do business with existing and potential customers.<br>• Regular reviews are done by Board in the Board meeting regarding our business progress with budgeted. |

| 4. NON-COMPLIANCE WITH LAWS AND REGULATIONS | | |
|---|---|---|
| **FINANCIAL AND REPUTATIONAL RISKS** | | |
| **Risk identification** | **Impact/Assessment** | **Mitigation** |
| Reliance must comply with all laws being a publicly listed company. | Non-compliance with regulatory laws could lead to financial penalties and reputational damage. | • We have efficient employees with special skills and knowledge who continuously monitor any non-compliance with different laws and regulations.<br>• We have ethical culture across the organization which defines ethical behaviour must be expected from each employee. |

# Responsibility to Staff

### Responsibilities towards our people

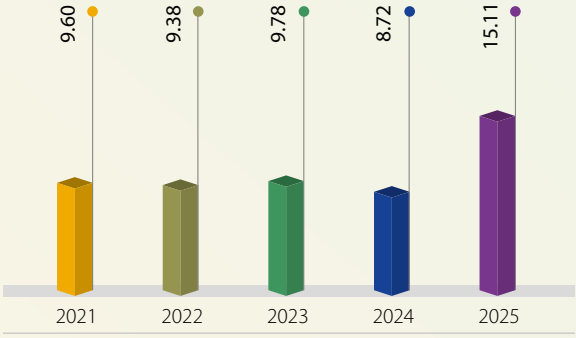
It's no secret that retaining top talent is key to promoting organizational growth. For doing business in our industry, employees require a different kinds skillset. Most of the times, it requires long time training, specifically on the job training, to develop those skillset. On the other hand, recruiting and new employees is expensive and time consuming. Our study shows, high employee turnover negatively affects the productivity and morale of the employees.

Hence, we develop and retain competent human resources to use their talent and experience for our customers. Our people with diverse set of experiences and opinion help to achieve our goal by better understanding the needs of our customers.

### Employee engagement

Every year, in the Annual Conference, employees are invited to participate in various discussions to identify how we are performing by comparing ourselves with other companies in non-life insurance industry in Bangladesh and also with other reputed organizations in different sectors. Our employee turnover rate was 15.11% in 2025. Employee turnover increase due to change of business paradigm. We provide information to our employees in variety of ways including our website, e-mail, meeting, text and print deliverables etc. as well as through individual teams.

**Employee Turnover Rate** %



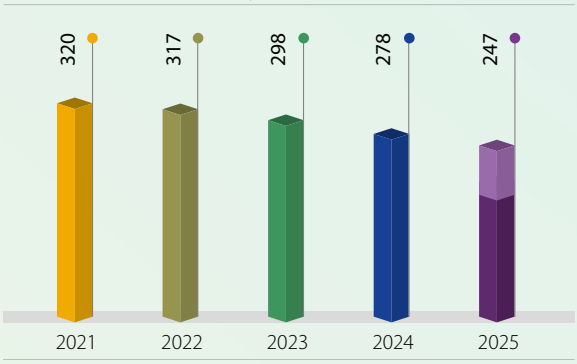

### Training and developing future leaders

We help our people to grow their career at Reliance Insurance PLC by developing their individual capabilities through formal training, on the job experience and regular counseling with supervisor. We have established in-house training center where we arrange training session on regular interval. We have arranged a number of online training for employees so that our employees can keep updated with changing business environment. Also every year, we send quite a number of employees to outside training houses and abroad for advanced training. We conduct regular reviews on our employees to identify high potential future leaders and deploy them with different responsibilities.

## Diverse workforce

Diverse workforce helps us to achieve our goal to meet the needs of our customers. We have flexible maternity policy that provides minimum 6 months maternity leave with all eligible benefits. We believe in treating all employees equally and offer equal opportunities in all aspects of employment regardless of race, nationality, gender, age, sex and religion.

### Total Number of Employees




**220**
Total Male Employees

**27**
Total Female Employees

## Rewarding people

We reward people based on their performance, potential and contribution to the company. Line mangers are empowered to appraise employee performance and to make performance decisions with higher level approval. We offer competitive retirement and other benefit which vary conditions and practices with local markets.

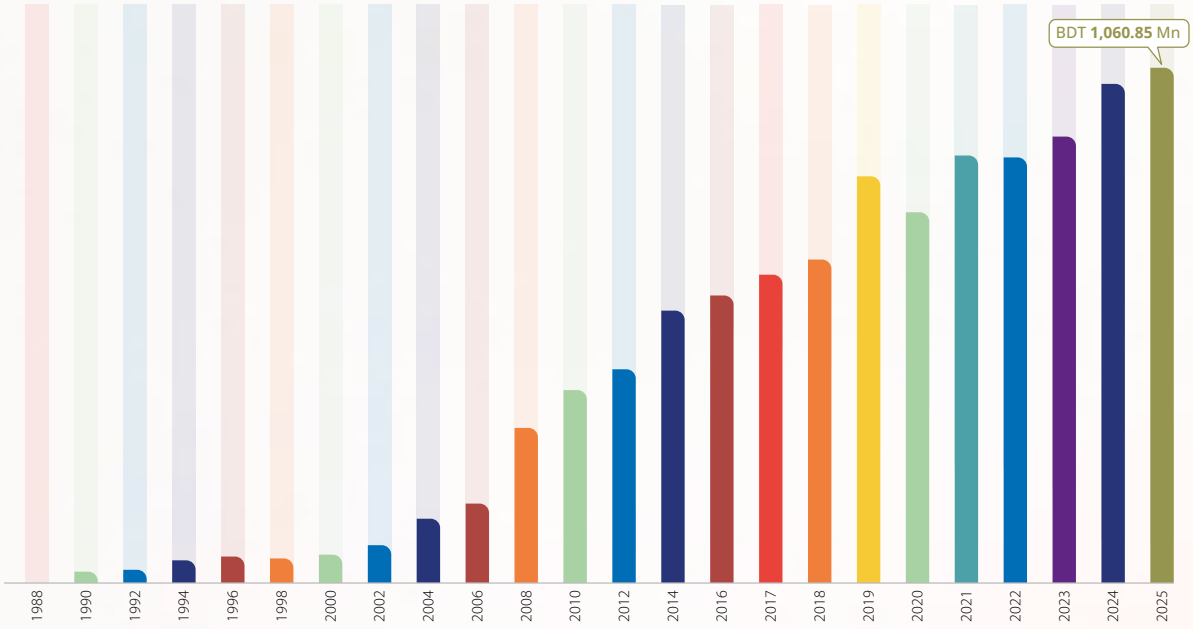
## Safety at workplace

We do our best to provide our employees a pleasant workplace experience by promoting a culture where safety is an integral part of the company. We have pick and drop facility for our female employees so that they can commute to and from office without any botheration. We want everyone working with the company to return home safely every day. We have group insurance policy, hospitalization policy for our employees.

## Pick up and Drop Off facility for the Head Office employees

Hassle free commuting is very much important for Dhaka dwellers. There is no good public transportation for the females in this city. At Reliance, we understand the importance of official transportation for our employees. Hence, we have arranged official transportation for all mid and senior level employees at RIPLC Head office and local office.

# Contribution to National Exchequer

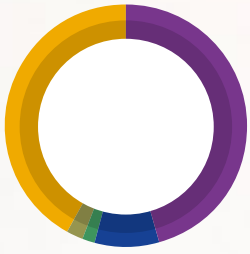



### Contribution during the year 2025

The collective contribution of the company during the year 2025 to the national exchequer was BDT 1,060.85 million. Out of total BDT 1,060.85 million, BDT 485.77 million was made on account of VAT; BDT 106.64 million was made against Source deduction of tax and VAT, BDT 23.06 million on Stamps duty and BDT 445.38 million on account of corporate income tax.

### Contribution during the year 2025

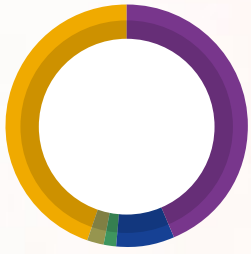
BDT mn



- **485.77** VAT
- **88.52** TDS
- **18.12** VDS
- **23.06** Stamp Duty
- **445.38** Income Tax

### Contribution during the year 2024

BDT mn



- **400.60** VAT
- **73.42** TDS
- **15.70** VDS
- **18.51** Stamp Duty
- **410.20** Income Tax

# Key Performance Indicators for Measuring Progress against Strategic Objectives

Most significant part of an organization is the key performance indicators without which the organization is a boat without a helmsman in a windy river. Presently, the business environment is also same. There are a lot of competitors who work critically to defeat the other competitors in the same line of business. So it is most important for any organization to identify the key indicators with highest importance and to measure the performance through critical analysis and if there found any gaps that have to be addressed with proper attention.

Reliance Insurance PLC with its management team oversee and analyze the key performance indicators at a regular interval and take necessary measures for any laps and gaps found without any delay. On the other hand, it practices to achieve KPIs for the individual department like Sales/Marketing and Human Recourses Department arranging necessary training to increase individual's performance of the members of the staff of the company at head office and branches, at home and abroad through physical and online.



# Strategy and Resource Allocation

Short, medium, and long-term key strategies information of the company and the basis/process of resource allocation.

**Key Strategic Priorities of Reliance Insurance PLC**

## SHORT-TERM STRATEGIC PRIORITIES (1–2 YEARS):

**Strengthening organizational capability, service quality, and execution discipline.**

### Deepening Workforce Engagement and Performance

**Strategic Intent:**

Strengthen employee engagement to enhance productivity, collaboration, and organizational cohesion.

**Resource Stewardship:**

Dedicated allocation for engagement initiatives, recognition frameworks, and structured team-development programs.

### Advancing Skills and Capability Development

**Strategic Intent:**

Enhance workforce readiness through targeted training in data literacy and evolving industry practices.

**Resource Stewardship:**

Investment in in-house training infrastructure, digital learning platforms, and specialized external expertise.

### Elevating Customer Experience and Service Reliability

**Strategic Intent:**

Strengthen customer relationship management to improve service responsiveness, consistency, and satisfaction.

**Resource Stewardship:**

Deployment of CRM systems, service capability training, and clearly defined service- level benchmarks.



## MEDIUM-TERM STRATEGIC PRIORITIES (3–5 YEARS)

**Scaling digital capability, leadership depth, and market reach.**

### Accelerating Digital Transformation and Process Modernization

**Strategic Intent:**

Embed digital technologies to enhance operational efficiency, customer engagement, and product innovation.

**Resource Stewardship:**

Sustained investment in digital infrastructure, mobile platforms, and advanced analytics, including AI and machine learning applications.

### Building Leadership Continuity and Talent Depth

**Strategic Intent:**

Establish a robust talent pipeline through structured succession planning, leadership development, and mentoring.

**Resource Stewardship:**

Allocation for leadership programs, mentoring frameworks, and selective external capability-building initiative.

### Expanding Market Presence and Product Reach

**Strategic Intent:**

Extend protection solutions to emerging segments, including microinsurance and digitally enabled offerings, while strengthening geographic coverage.

**Resource Stewardship:**

Investment in market intelligence, product development, and diversified distribution partnerships.

## LONG-TERM STRATEGIC PRIORITIES (5+ YEARS)

**Embedding sustainability, innovation, and data-driven resilience.**

### Integrating Sustainability and Responsible Insurance

**Strategic Intent:**

Embed environmental, social, and governance (ESG) considerations across strategy, underwriting, and operations.

**Resource Stewardship:**

Investment in sustainable practices, green initiatives, and insurance solutions addressing climate and social risks.

### Institutionalizing Innovation and Future Readiness

**Strategic Intent:**

Foster a culture of innovation that encourages experimentation, collaboration, and long- term solution development.

**Resource Stewardship:**

Establishment of innovation funding, academic and industry collaborations, and participation in ecosystem-wide innovation initiatives.

### Strengthening Data-Driven Decision Making

**Strategic Intent:**

Leverage advanced analytics and business intelligence to inform strategic planning, risk management, and customer insights.

**Resource Stewardship:**

Investment in data platforms, analytical tools, and specialized talent to support evidence- based decision-making.

## Basis and Governance of Resource Allocation

**Strategic Alignment:**

Resource allocation is guided by the Company's long-term strategic priorities and commitment to sustainable value creation.

**Performance Governance:**

Continuous performance monitoring against defined KPIs informs adaptive resource deployment.

**Capital Discipline:**

Investment decisions are supported by structured cost–benefit analysis to ensure efficiency and value optimization.

**Return-Focused Deployment:**

Capital allocation is prioritized based on risk- adjusted return potential and long-term resilience outcomes.

### Strategic Perspective

Guided by four decades of experience and a forward-looking strategy, Reliance Insurance's resource allocation and strategic priorities are designed to reinforce operational excellence, financial resilience, and societal impact.

## OUR MARKET DEVELOPMENT PRODUCT AND SERVICE DEVELOPMENT STRATEGY

In Bangladesh, where financial security remains a dream for many, insurance serves as a critical lifeline. At RIPLC, we are committed to more than providing policies-we are empowering individuals and families with protection, confidence, and the promise of a secure future. Our market development strategy is a living roadmap, continuously evolving to meet the aspirations and needs of our communities.



## STRATEGIC PILLARS DRIVING GROWTH

**Deep Market Insights:**

Potential customers are identified through campaigns and inbound channels.

**Customer-Centric Excellence:**

Sales team shares company profile and product highlights with leads.

**Digital Transformation:**

Leads are invited to explore tailored demonstrations of offerings.

**Geographic Expansion:**

Discussions focus on pricing, terms, and customer requirements.

**Innovation at the Core:**

Agreements are signed and onboarding starts

**Strategic Partnerships:**

Identified through campaigns and inbound channels.

**Education and Empowerment:**

Sales team shares company profile and product highlights with leads.

**Ethical Governance & Compliance:**

Sales team shares company profile and product highlights with leads.

**Agility & Continuous Evolution:**

Discussions focus on pricing, terms, and customer requirements.

### Primary Performance Indicators

Our performance is evaluated across multiple dimensions to ensure holistic and sustainable growth, aligned with the principles of financial strength, human capital development, and societal impact.

**Profitability & Stability:**

Delivering consistent financial performance to ensure long-term resilience.

**Customer-Centric Capital:**

Prioritizing customer retention, satisfaction, and trust.

**Social & Relationship Capital:**

Building enduring partnerships and positively impacting communities.

**Investor-Centric Capital:**

Maximizing returns while upholding responsible governance.

**Human & Intellectual Capital:**

Empowering employees and fostering innovation to drive strategic excellence.

**Natural & ESG-Related Capital:**

Committing to environmental stewardship and socially responsible practices.

### Driving Bangladesh's Future

RIPLC's market development strategy reflects more than business ambition-it embodies a promise. A promise to secure tomorrows for every individual, family, and community we serve. By integrating insight, innovation, and inclusivity, we remain steadfast in our mission: building a stronger, financially resilient, and empowered Bangladesh.

We continue our journey of securing tomorrows-today, tomorrow, and for generations to come.

# OUR COMMITMENT TO THE UN SDGS




### Sustainability Strategy with measurable objectives of the year

At RIPLC, sustainability is not just a responsibility-it is a purpose. Guided by the United Nations Sustainable Development Goals (SDGs), we see an opportunity to create meaningful impact while building a stronger, more resilient Bangladesh. Our initiatives are designed to empower individuals, strengthen communities, and foster economic, social, and environmental well-being.

## Empowerment Through Education: Igniting Minds, Shaping Futures

**Education is the cornerstone of a sustainable future. At RIPLC, we believe that investing in young minds fuels innovation, inclusivity, and long-term progress.**

**Looking Ahead:**

RIPLC remains steadfast in its commitment to education as a driver of societal transformation, equipping the next generation to secure a brighter Bangladesh.

**Cultivating a Love for Learning:**

Beyond academics, we promote creativity, values, and holistic growth to shape well-rounded individuals.

**Nurturing Young Minds:**

We design programs that spark curiosity, encourage critical thinking, and cultivate lifelong learning.

**Empowering Every Child:**

By facilitating access to education for all, we ensure that every child has the opportunity to thrive.

### Gender Empowerment: Championing Equality

RIPLC is dedicated to advancing gender equity, recognizing that women are central to sustainable development.

**Driving Societal Change:**

By promoting equality internally and externally, RIPLC contributes to a fairer, more inclusive Bangladesh.

**Inclusive Workplace:**

Women at RIPLC hold diverse roles across all levels, supported by policies fostering equal opportunities and leadership growth.

## Decent Work and Economic Growth: Building a Resilient Workforce

Insurance is more than risk protection-it is a catalyst for economic empowerment.

**Employment Opportunities:**

RIPLC's workforce is one of the largest in the sector, offering diverse roles that foster skill development and professional growth.

**Financial Inclusion:**

We provide accessible insurance solutions that help individuals and businesses build resilience and plan for the future.

**Enabling Growth:**

By supporting businesses, mitigating risks, and encouraging entrepreneurship, RIPLC contributes to sustainable economic development.

## Industry, Innovation, and Infrastructure: Strengthening Foundations

Sustainable development requires robust infrastructure and innovative solutions.

**Nationwide Reach:**

Our extensive branch network ensures accessibility across Bangladesh, driving local employment and community growth.

**Digital Transformation:**

Continuous investment in technology and digital platform enhances insurance access, efficiency, and customer experience.

**Comprehensive Solutions:**

With a diverse product portfolio, RIPLC meets the needs of individuals and enterprises, supporting national economic resilience.

## Sustainable Cities and Communities: Fostering Inclusive Societies

A thriving society requires attention to both essential needs and cultural vitality.

**Social Impact:**

Through contributions to hospitals, social causes, and foundations, we address critical societal challenges and uplift vulnerable populations.

**Honoring Legacy:**

Through programs commemorating national milestones, we reinforce civic values and care for society's most vulnerable members.

**Emergency Response:**

RIPLC's proactive initiatives, such as city-wide water distribution during extreme heat, demonstrate our commitment to community well- being.

**Community Engagement:**

RIPLC supports sports, heritage, and cultural initiatives that strengthen societal cohesion.



## Our Sustainable Vision

Embodying RIPLC's long-standing commitment to creating lasting impact. By integrating education, gender equity, economic empowerment, innovation, and community care, we are building a future that is inclusive, resilient and sustainable. Every initiative we undertake reinforces our pledge to empower individuals, strengthen communities, and secure the tomorrows of Bangladesh.

# Company Strategy on Market Development, Product & Service Development

Reliance Insurance PLC (RIPLC) has a wide range of non-life insurance products and services including Fire, Motor, Marine, Health, and Liability Insurance. RIPLC is committed to providing innovative and customer-focused insurance solutions to meet the needs of the customers.

### Market Development Strategies

RIPLC has adopted several strategies to strengthen its market presence in Bangladesh. These strategies are aimed at engaging the customers and gaining their trust. The key strategies for market development adopted by RIPLC are as follows:

#### Branding

RIPLC has adopted a comprehensive branding strategy to create a positive brand image in the mind of its customers. The company has adopted a proactive approach to create its brand identity and establish its presence in the market.

#### Customer engagement

RIPLC has adopted a customer-centric approach to build a strong customer base. The company has created a customer-friendly environment and adopted proactive policies to ensure that policy holders are satisfied with its services.

#### Digital presence

RIPLC has created a strong digital presence to reach out to more customers adopted various digital marketing strategies such as SEO, online advertising, social media marketing, and the website with the option to purchase insurance online to reach out to a wider audience.

### Product and Service Development Strategies

RIPLC has adopted several effective and innovative strategies to ensure that its services consistently meet the ever-changing needs of the customers. The key strategies for service development adopted by RIPLC are as follows:

#### Customer feedback

RIPLC has adopted a customer feedback system to ensure that its services are in line with the needs of the customers. The company collects customer feedback on a regular basis and uses it to improve its services.

#### Technology

RIPLC has adopted advanced technology to ensure that its services are efficient and customer-friendly. The company has adopted digital technologies such as automation, etc. to streamline its services and ensure that its customers get the best service.

#### Innovation

RIPLC has adopted an innovation-driven approach to ensure that its services remain competitive in the market. The company regularly launches new products and services to meet the changing needs of the customers.

The strategies adopted by RIPLC for market development and service development have been effective in helping the company gain a competitive edge in the insurance market of Bangladesh.

# Information Technology System and Control

### Background

Since the very beginning of the Company till 2004, RIPLC had a computerized General Ledger for Central Accounts Department only. But like most other insurance companies, its' operation was based on stand-alone PC's and manual system. There was no IT enabled MIS system in place to help RIPLC analyze the business figures and to track performance of products, customers, branches, department and people. As a result, RIPLC was severely handicapped in the field of IT, resulting in inefficiency and improper management negatively impacting its endeavour to maintain its' position at the top of the Insurance fraternity.

### Formation of IT Division

Against the backdrop of the above-mentioned situation, RIPLC management decided in the year 2000 to introduce a modern computer system to cater to future prospects of the Company. As part of that vision, an Information Technology Division was established to make the dream come true.

The information technology's role in the business sector certainly can hardly be over emphasized. It is of utmost importance, which enables businesses to effectively and successfully plan, manage, execute strategies which lead to profit. Therefore, the mission of this Division is to completely re-engineer and automate RIPLC's business processes to achieve higher productivity, lower cost, improved quality, enhanced service and efficient management.

IT mainly deals with computer applications which are now completely automated. The technology has not only made communication cheaper, but also much faster.

Information Technology Division has taken pragmatic approaches to bring the technological boon and advancement into RIPLC's business process to make it more competitive and adaptive for the 21st century.

The software applications and the hardware devices are the main elements of use in information technology. So a modern and dynamic IT Division was created with two departments like Hardware and Software including a structured LAN for its smooth operation and getting the technical advantage. Operating the IT system at Reliance, there are six experienced and professional IT personnel.

### Software Development & Implementation

Software is an important integral part of information technology which relates to computer applications that 185 enable a company to generate, store, program, and retrieve data as and when needed. Like an ERP Software, a Computer Integrated Insurance System (CIIS) was jointly developed with the co-operation of IBCS PRIMAX (Bangladesh) Ltd. Under which all the business process and functionalities were included. After 14 months of development by IBCS and RIPLC's 10 programmers, it was completed and on 1st of July 2004 it was implemented successfully at RIPLC. On the job training was also provided to all end users.

### Key Benefits of RIPLC IT system:

Huge saving in working time in preparing document, Money Receipt and some large informative monthly reports with excellent print quality

- Integrated Accounts where 100% Journal Voucher are passing through system as well as Final Accounts report like Balance Sheet, Profit & Loss Account, Revenue Account, General Ledger, Cash Flow and Trial Balance are generating automatically through system.
- Controlling business procurement trough Computer Integrated Insurance System (CIIS) software Quick accessing the underwriting documents through CIIS for departmental integration with UW dept. like Co-Insurance, Claims, Commission, Re-Insurance and Accounts department.
- Getting 450 Plus system generated MIS report which helps management to take decisions properly and timely.
- A Disaster Recovery Center has been established to secure the company's valuable data in a professional manner.

## On-line branches

Including Head Office and Local Office all the branches are already connected to the IT Division through optical fiber and data modem during the last eight years.

## Future Plan

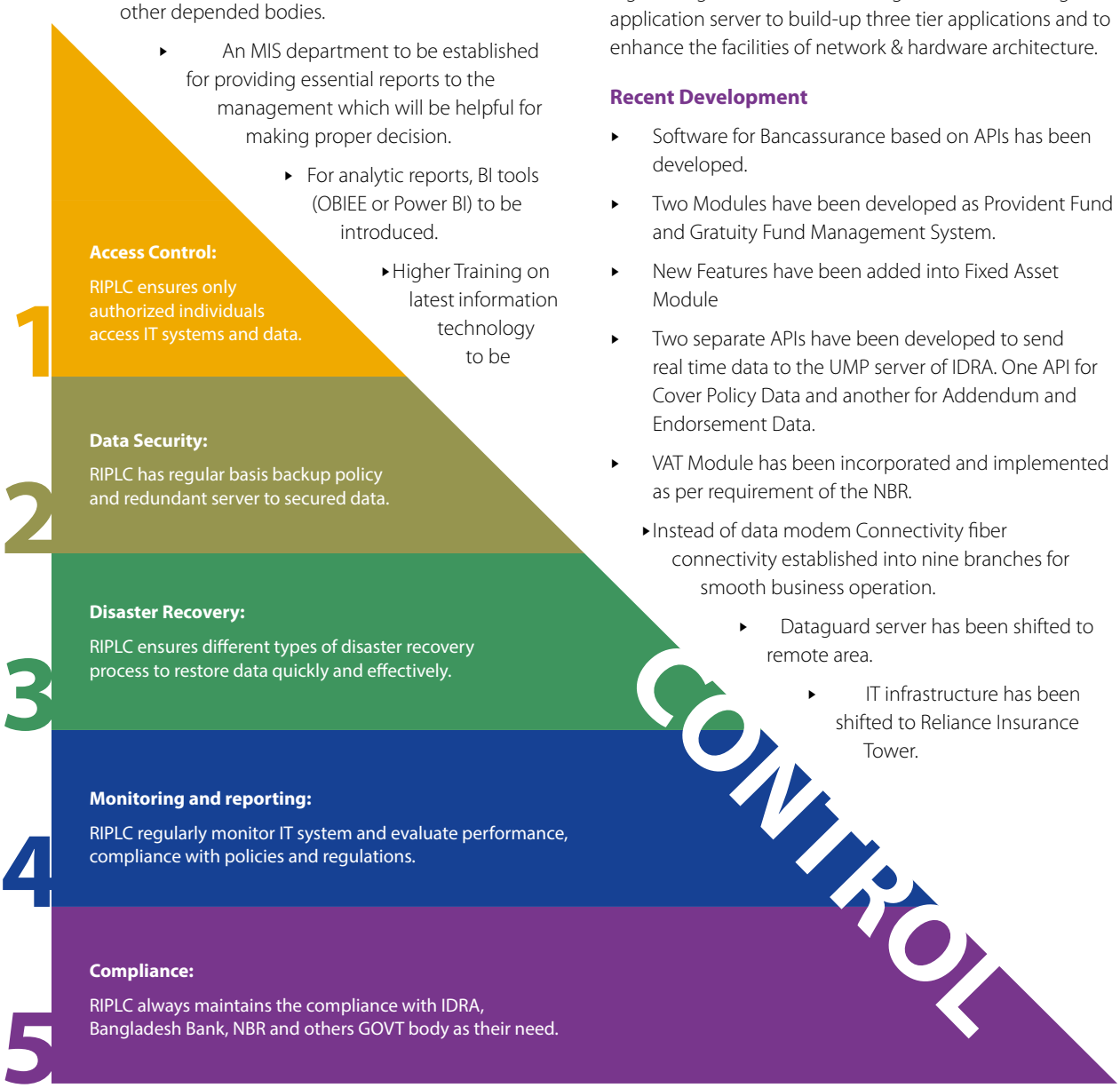
As technology continues to evolve at an unprecedented pace, the IT Division of Reliance Insurance PLC stands at the forefront of driving innovation and enabling organizational success. In envisioning the future of our company, we recognize the critical role technology plays in shaping our corporate landscape. This future plan outlines our strategic vision and key initiatives aimed at propelling our organization towards digital excellence and sustainable growth.

- A client portal to be developed for underwriting and claim.
- IT Infrastructure to be upgraded for providing uninterrupted services to all online branches and other depended bodies.
- An MIS department to be established for providing essential reports to the management which will be helpful for making proper decision.
- For analytic reports, BI tools (OBIEE or Power BI) to be introduced.
- Higher Training on latest information technology to be provided to the IT professionals for developing new software to meet the user's demand.
- Oracle form11g Application to be migrated to web technology as J2EE or Python or Oracle Apex.
- Data Center to be established to ensure second layer security of data.
- The data backup system will undergo more modernization.

RIPLC has highly experienced and trained professionals working on maintaining and developing the company's IT infrastructure. The IT professionals are constantly innovating and producing in-house programs to meet the needs of the company's ever increasing and diversified products and services industry. IT division has successfully implemented a Wide Area Network (WAN) to connect all of the branch offices among the country on real time basis, thereby providing seamless connectivity and prompt customer services. We have also purchased a new high configured server for running our oracle Web-logic application server to build-up three tier applications and to enhance the facilities of network & hardware architecture.

## Recent Development

- Software for Bancassurance based on APIs has been developed.
- Two Modules have been developed as Provident Fund and Gratuity Fund Management System.
- New Features have been added into Fixed Asset Module
- Two separate APIs have been developed to send real time data to the UMP server of IDRA. One API for Cover Policy Data and another for Addendum and Endorsement Data.
- VAT Module has been incorporated and implemented as per requirement of the NBR.
- Instead of data modem Connectivity fiber connectivity established into nine branches for smooth business operation.
- Dataguard server has been shifted to remote area.
- IT infrastructure has been shifted to Reliance Insurance Tower.




Overall, by managing risks and ensuring compliance, RIPLC protects data, maintains operation and achieves goals.

## Data privacy and cyber security

Our organization commits to protecting sensitive information, mitigating risks, and upholding the trust of our clients.

We classify data based on sensitivity and importance and define access controls and permissions with strong authentication methods for each data category and regularly review and update user access privileges based on roles and responsibilities. To detect unauthorized activities, we monitor and audit access logs.

For awareness about the importance of data privacy and security, Reliance conduct regular training sessions to educate employees on cybersecurity best practices and provide guideline for handling sensitive information and recognizing potential threats like phishing attacks.

We have implemented security monitoring tools to detect and respond to threats and also have disaster recovery plan. In case of a security breach or data incident, we have incident response and management plan with communication protocols for reporting and escalating incidents.

Our Organization always adhere to various regulations and standards, such as IDRA, BIA, NBR and Bangladesh Bank to ensure the lawful collection, processing, and storage of data while respecting individuals' privacy rights.

## Conclusion

Information technology provides the ability to process a large amount of information and in a way which presents the information in a clear and concise manner to employees. Anticipated benefits of implementing an information technology system include improvements in profit performance, and a higher degree of accuracy among information within the possible shortest time. Insurance business has made great strides in risk evaluation as well as their calculation and reporting abilities. Much of such analyses can be done by developing new software of risk infrastructure, data model governance and quality. In this perspective IT sector of Reliance have been playing an important role for decades and contributing to the economic stability of the company.

# Segment Reporting and Performance Analysis

The purpose of segments reporting is to enable the users of Annual Report to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. For management, segment reporting is used to evaluate each segment's income, expenses, assets, liabilities and so on in order to assess profitability and risk elements to the Company. Below, we broke down the Company's premium income, claim settlement, management expenses and profitability by class of business, by geographical area and division-wise assets allocation.

Most of the analysis is based on accounting data provided in the financial statements published in years earlier to 2025 or to be published in the year 2025. In 2025, gross premium income was BDT 5,410.38 million. Figures below display the evolution of gross premium by type of general insurance product e.g. Fire, Marine, Motor and Miscellaneous for years 2020 to 2025. This chart also indicates that the underlying composition of gross premiums has a perfect growth throughout the period.

BDT Million

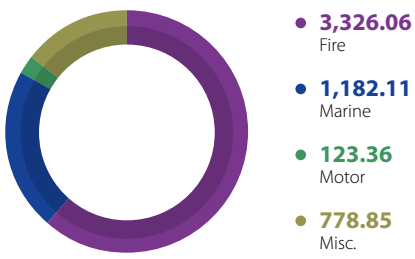
| Segment | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| Gross Premium | 2,937.12 | 3,140.35 | 3,523.63 | 3,902.39 | 5,122.02 | 5,410.38 |
| Fire | 1,580.68 | 1,742.33 | 1,937.45 | 2,047.34 | 3,081.89 | 3,326.06 |
| Marine | 680.76 | 844.38 | 955.26 | 1,140.75 | 1,108.58 | 1,182.11 |
| Motor | 161.21 | 152.18 | 138.61 | 140.66 | 132.17 | 123.36 |
| Misc. | 514.47 | 401.46 | 492.31 | 573.64 | 799.38 | 778.85 |

Between 2020 and 2025, total claims payouts have mixed in character where claim amount is decreased in 2022 and 2024 and increased in 2021, 2023 and 2025. In the year 2025, claim amount only increased 120.84% in Fire and all other claims like Marine, Motor and Miscellaneous decreased 34.16%, 48.62% and 89.88% respectively compared to previous year. This is illustrated in the following table, which shows the evolution of claims by all segments together.

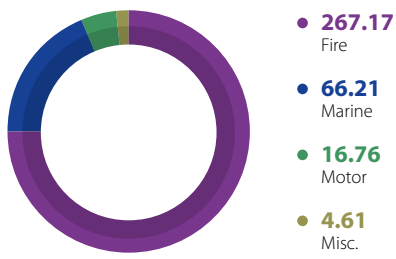
BDT Million

| Segment | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| Claim (Net) | 210.90 | 238.18 | 197.80 | 323.00 | 299.70 | 354.75 |
| Fire | 121.21 | 45.00 | 64.95 | 95.39 | 120.98 | 267.17 |
| Marine | 30.32 | 88.01 | 79.69 | 91.70 | 100.56 | 66.21 |
| Motor | 25.38 | 32.42 | 26.21 | 27.49 | 32.62 | 16.76 |
| Misc. | 23.99 | 72.75 | 26.95 | 108.42 | 45.54 | 4.61 |

**Gross Premium 2025** BDT mn




**Claim (Net) 2025** BDT mn



Insurance underwriting results stand for the underwriting profit or loss made by an insurer arising out of its underwriting activity. It is calculated as the net premium income (i.e. net of reinsurance premiums) less the cost of claims and the insurer's expenses in connection with the business operation. A mathematical expression for the underwriting results can be found as under:

BDT Million

| Particulars | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| Net Premium earned | 1,062.50 | 1,148.87 | 1,274.24 | 1,338.64 | 1,453.31 | 1,597.19 |
| Add: Re-insurance commission | 257.33 | 273.45 | 317.62 | 331.43 | 415.90 | 468.71 |
| **Total income from operation** | **1,319.83** | **1,422.32** | **1591.86** | **1,670.07** | **1,869.21** | **2,065.90** |
| Less: Expenses | | | | | | |
| Claims | 210.90 | 238.19 | 197.80 | 323.00 | 299.70 | 354.75 |
| Management expenses | 316.31 | 347.82 | 403.30 | 415.74 | 423.98 | 420.87 |
| Agent commission | 432.35 | 186.11 | 304.87 | 281.10 | 289.56 | 541.76 |
| Unexpired risk reserve-this year | (110 72) | 43.10 | 70.69 | 5.26 | 58.19 | 47.39 |
| **Total expenses** | **848.85** | **815.22** | **976.66** | **1,025.10** | **1,071.43** | **1,364.77** |
| **Operating profit/(loss)** | **470.98** | **607.10** | **615.20** | **644.97** | **797.78** | **701.13** |

Figure mentioned shows that in recent years there have been a perfect growth in the underwriting results throughout the period except for 2025. Now, if we further analyze year 2025 by class-wise, we can see that the major part of the profit came from Marine and Misc. insurance business.

BDT Million

| Particulars | Fire | Marine | Motor | Misc. | Total |
|---|---|---|---|---|---|
| **Unexpired risk reserve-Carrying** | **181.93** | **306.29** | **51.53** | **76.00** | **615.75** |
| Net Premium earned | 576.97 | 710.26 | 119.96 | 189.99 | 1,597.19 |
| Add: Re-insurance commission | 255.90 | 128.74 | 0.15 | 83.91 | 468.70 |
| **Total income from operation** | **832.87** | **839.00** | **120.11** | **273.90** | **2,065.89** |
| Claims | 267.17 | 66.21 | 16.76 | 4.61 | 354.75 |
| Management expenses | 258.76 | 91.54 | 10.15 | 60.41 | 420.86 |
| Agent commission | 421.21 | 72.84 | 21.37 | 26.34 | 541.76 |
| Unexpired risk reserve @ 40% on premium | 230.79 | 308.37 | 47.98 | 76.00 | 663.14 |
| **Total expenses** | **1,177.93** | **538.96** | **96.26** | **167.36** | **1,980.51** |
| **Operating profit/(loss)** | **(163.13)** | **606.33** | **75.38** | **182.54** | **701.13** |

### Segment results based on Geographical Location

Further, we can sub-divide the Gross Premium income for the year 2025 based on Geographical Location of the Company's operation:

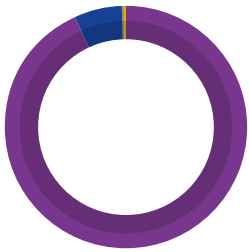
BDT Million

| Division | Fire | Marine | Motor | Misc. | Total |
|---|---|---|---|---|---|
| Dhaka | 3,199.02 | 973.58 | 101.21 | 775.21 | 5,049.02 |
| Chattogram | 117.05 | 205.78 | 13.87 | 3.05 | 339.75 |
| Rajshahi | 0.80 | 1.73 | 0.14 | 0.03 | 2.70 |
| Khulna | 8.40 | 0.86 | 3.94 | 0.35 | 13.55 |
| Mymensingh | 0.80 | 0.15 | 4.21 | 0.20 | 5.36 |
| **Total** | **3,326.07** | **1,182.10** | **123.37** | **778.84** | **5,410.38** |

From the above table, it may be observed that in all perspective, Dhaka Division earned most of the premium income (93%) whereas Rajshahi has the least (0.05%) income. So far as business portfolio is concerned, lion's share of the premium income came from Fire business (62%), whereas Motor contributed the lowest (2%).

### Segment results based on Geographical Location

BDT mn



- **5,049.02** Dhaka
- **339.75** Chattogram
- **2.70** Rajshahi
- **13.55** Khulna
- **5.36** Mymensingh

### Division-wise segment assets

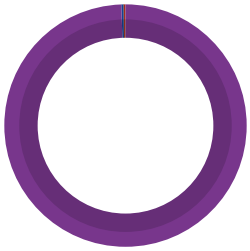
Segment assets are those operating assets that are employed by a segment in its operating activities and that either are directly attributable to the segment or can be allocated to the segment on a reasonable basis. As the Dhaka Division earned most of the premium income, the assets also captured the highest amount (Tk. 1,836.339 mn) whereas the book value of Sylhet has the lowest (Tk. 0.003 mn) income.

BDT Million

| Division | Assets |
|---|---|
| Dhaka | 1,836.339 |
| Chittagong | 7.614 |
| Rajshahi | 0.430 |
| Khulna | 0.669 |
| Rangpur | 0.200 |
| Sylhet | 0.003 |
| Mymensingh | 0.026 |
| **Total** | **1,845.279** |

### Division-wise segnent assets

BDT mn



- **1,836.34** Dhaka
- **7.61** Dhaka
- **0.43** Rajshahi
- **0.67** Khulna
- **0.20** Rangpur
- **0.003** Sylhet
- **0.03** Mymensingh

# Segment Insights: Dupont Analysis

### Segment Analysis

Reliance Insurance PLC maintains a diversified portfolio of insurance products, enabling stable revenue streams and balanced risk exposure. The following segment insights provide a clear view of revenue, profitability, asset allocation, and liability structure across major business lines for the year 2025. This analysis helps stakeholders understand each segment's contribution to overall performance and financial health.

### Segment Analysis – Revenue

The revenue analysis highlights each product line's contribution to the Company's total gross premiums. Fire and Marine remain the largest contributors, reflecting RIPLC's strong presence and expertise in these key insurance segments. Miscellaneous products continue to support diversification, while Motor and Miscellaneous provide market coverage.

| Class of business | 2025 | | 2024 | |
|---|---|---|---|---|
| | Gross Premium (BDT in Mn.) | Business Mix | Gross Premium (BDT in Mn.) | Business Mix |
| Fire | 3,326.06 | 61% | 3,081.89 | 60% |
| Marine | 1,182.11 | 22% | 1,108.58 | 22% |
| Motor | 123.36 | 2% | 132.17 | 3% |
| Miscellaneous | 778.85 | 14% | 799.38 | 16% |
| **Total** | **5,410.38** | **100%** | **5,122.02** | **100%** |

### Segment Analysis – Operating Profit

Operating profit provides insight into the efficiency and profitability of each business segment. Marine contributes the highest share of operating profit, underlining RIPLC's strategic focus on high-performing lines. Motor and Miscellaneous segments, while smaller, are steadily growing and adding value to the overall portfolio.

| Class of business | 2025 | | 2024 | |
|---|---|---|---|---|
| | Operating Profit (BDT in Mn.) | Profit Mix | Operating Profit (BDT in Mn.) | Profit Mix |
| Fire | (163.13) | -3% | 140.63 | 3% |
| Marine | 606.33 | 11% | 474.60 | 9% |
| Motor | 75.38 | 1% | 71.45 | 1% |
| Miscellaneous | 182.54 | 3% | 111.11 | 2% |
| **Total** | **701.12** | **13%** | **797.79** | **16%** |

### Segment Analysis – Assets

The assets analysis reflects the allocation of resources across investments, premiums receivable, and operational assets. Investments and inter-company receivables constitute a significant portion of total assets, ensuring liquidity and optimal capital deployment. Cash reserves and fixed assets support operational stability and long-term growth.

| Particulars | 2025 | | 2024 | |
|---|---|---|---|---|
| | Assets (BDT in Mn.) | Assets Mix | Assets (BDT in Mn.) | Assets Mix |
| Property, plant and equipment | 2,713.48 | 18% | 1,813.31 | 13% |
| Investments Property | 721.99 | 5% | - | 0% |
| Assets under construction | - | 0% | 1,193.58 | 9% |
| Investments | 4,692.63 | 31% | 3,605.20 | 26% |
| Stock of stamps and others | 7.75 | 0% | 6.04 | 0% |
| Advances, deposits and prepayments | 2,092.43 | 14% | 2,402.28 | 17% |
| Premium control | 2.11 | 0% | 2.11 | 0% |
| Interest receivable | 229.39 | 2% | 178.81 | 1% |
| Amount due from other persons or bodies carrying on insurance business | 1,110.31 | 7% | 1,117.01 | 8% |
| Cash and cash equivalents | 3,597.33 | 24% | 3,615.78 | 26% |
| **Total** | **15,167.41** | **100%** | **13,934.12** | **100%** |

### Segment Analysis – Shareholders' Equity & Liabilities

Shareholders' Equity & Liabilities analysis provides insights into how RIPLC finances its operations and manages shareholder equity. A balanced structure of capital, reserves, and operational liabilities ensures strong solvency while supporting business expansion, and sundry creditors reflect operational funding requirements, while reserves and retained earnings underscore financial prudence.

| Particulars | 2025 | | 2024 | |
|---|---|---|---|---|
| | Equity & Liabilities (BDT in Mn.) | Equity & Liabilities Mix | Equity & Liabilities (BDT in Mn.) | Equity & Liabilities Mix |
| Share capital | 1,051.61 | 7% | 1,051.61 | 8% |
| Reserves and surplus | 7,251.05 | 48% | 6,266.75 | 45% |
| Balance of funds and accounts | 663.14 | 4% | 615.75 | 4% |
| Premium deposit | 1,566.16 | 10% | 1,456.17 | 10% |
| Unclaimed dividend | 3.85 | 0% | 4.04 | 0% |
| Estimated liability in respect of outstanding claims, whether due or intimated | 647.33 | 4% | 491.77 | 4% |
| Amounts due to other persons or bodies carrying on insurance business | 684.73 | 5% | 764.03 | 5% |
| Outstanding refundable premium | 0.74 | 0% | 0.73 | 0% |
| Sundry creditors | 2,827.16 | 19% | 2,898.39 | 21% |
| Deferred tax liabilities | 471.63 | 3% | 384.88 | 3% |
| **Total** | **15,167.41** | **100%** | **13,934.12** | **100%** |

### Management Commentary:

- RIPLC's revenue and profit remain concentrated in Marine, Motor, and Miscellaneous, reflecting consistent market leadership in these lines.
- Asset allocation emphasizes liquidity and balanced investments to support underwriting and operational needs.
- The liability structure is prudently managed, with a strong proportion of reserves and equity ensuring regulatory compliance and financial stability.
- Overall, the segment insights highlight RIPLC's strategic focus on profitable, diversified, and well-capitalized operations.

# Impact of Primary Macroeconomic Variable on Performance of the Company

### Bangladesh Economic Outlook

Bangladesh's economy in FY2024–25 is experiencing a phase of moderated growth amid persistent macroeconomic challenges. Real GDP growth is estimated to remain in the range of 5.7%–5.9%, compared to 5.8% in the previous fiscal year, reflecting the impact of inflationary pressures, external sector constraints, and financial market adjustments. The Government's GDP growth target of 6.75% for FY2025 remains ambitious under the prevailing economic conditions.

Inflation has been a major concern, with rates exceeding 10% during the latter part of 2024. Although inflation is expected to gradually ease in 2025, it continues to affect household purchasing power, business costs, and overall economic stability. The external sector has shown some improvement following revised reporting standards under the IMF's BPM6 framework. According to Bangladesh Bank, foreign exchange reserves stood at USD 21.4 billion (net) and USD 26.2 billion (gross) in December 2024, compared to USD 20.4 billion (net) and USD 25.8 billion (gross) in July 2024.

The depreciation of the Bangladesh Taka (BDT) against the US Dollar remains a key concern. The exchange rate has hovered around BDT 120 per USD officially, while market rates reached approximately BDT 123–124, increasing the cost of imports, reinsurance premiums, and claims settlements—thereby exerting direct pressure on insurers' risk management and profitability.

### Global Economic Environment

According to the Swiss Re Institute, the global economy continues to demonstrate resilience despite heightened uncertainty. Global real GDP growth is estimated at 2.8% in 2024 and 2025, 2.7% in 2026. However, risks remain tilted to the downside due to geopolitical tensions, policy uncertainty, and financial market vulnerabilities. Economic performance remains uneven across regions. Although the United States forecasted strong growth momentum, the Euro Area forecasted modest growth (~0.7%–1.0%), the United Kingdom has a moderate recovery (~0.9%), Japan has a marginal contraction, and China forecasted relatively strong growth (~4.8%–5.0%). Global inflation declined from 5.1% in 2024 and is projected to 3.3% in 2025, further moderating to 3.0% in 2026. Central banks, including the Federal Reserve, are expected to pursue cautious monetary easing, balancing inflation control with growth concerns. Long-term bond yields, however, may remain elevated due to fiscal risks in advanced economies.

### Global Insurance Industry Outlook

The global insurance sector continues to strengthen, supported by improved underwriting performance and better investment returns. According to the Swiss Re Institute, Global real premium growth reached 4.6% in 2024, advanced markets recorded 4.1% growth, and emerging markets outperformed at 6.7%, led by China. The non-life insurance segment is witnessing improved underwriting profitability, stabilizing claims costs due to easing inflation, and stronger premium pricing following prior risk repricing. Global non-life premium growth is expected to reach 4.3% in 2025 and moderate to approximately 2.3% annually during 2025–2026. Despite these positive trends, climate-related risks remain a major concern. Global insured losses from natural catastrophes are expected to exceed USD 100 billion annually, driven by extreme weather events, including active hurricane seasons.

### Macroeconomic Conditions in Bangladesh

Bangladesh has demonstrated strong economic resilience over the past decade, with an average GDP growth rate of approximately 6.4% between 2010 and 2023. Recent economic indicators include: FY2022–23 GDP growth: 5.78%, FY2023–24 GDP growth: ~5.82% (provisional, by Bangladesh Bureau of Statistics), and FY2025 projected growth: 3.5%–4.0%. Despite these achievements, the economy faces several challenges, such as inflationary pressure. Inflation remained elevated throughout late 2024: October: 10.22%, November: 11.38%, and December: 10.89%. Persistent inflation affects consumer affordability, insurance demand, claims costs, and reserve adequacy.

### Credit Rating and External Risks

The downgrade by Moody's Ratings to B2 with a negative outlook reflects concerns over external liquidity pressures, banking sector vulnerabilities, and exchange rate instability.

### Impact on the Insurance Sector

The insurance sector in Bangladesh continues to face structural and macroeconomic challenges like low insurance penetration due to limited awareness and negative perceptions, high inflation, increasing claims costs, and reducing real income, currency depreciation, raising reinsurance and foreign liability costs, moderate

GDP growth, and slowing expansion of insurable assets. However, corporate clients and institutional investors increasingly recognize the importance of insurance as a risk mitigation tool, contributing to steady demand in the commercial segment.

### Performance and Strategic Position of Reliance Insurance PLC

In this challenging macroeconomic environment, Reliance Insurance PLC continues to maintain a stable and prudent operational strategy, considering its operational focus, prompt and efficient claims settlement, strong client relationship management, and conservative underwriting and risk assessment. The Company emphasizes service quality over aggressive marketing, resulting in high customer trust and retention. Policyholders often act as advocates, contributing to organic growth.

### Financial Inclusion and Social Commitment

Reliance Insurance PLC remains committed to expanding insurance coverage across underserved segments in compliance with the Insurance Act 2010. Microinsurance initiatives focus on low-income populations, expansion of insurance access in rural areas, coverage for smallholder farmers, and support for rural economic resilience. Although such products carry a higher risk exposure, they contribute significantly to financial inclusion and social protection.

### Corporate Health Insurance

The Company continues to collaborate with corporate clients to expand health insurance coverage and promote risk awareness within the business community.

### Way Forward

To ensure sustainable growth of the insurance sector, coordinated efforts are required among the Government authorities, Insurance Development and Regulatory Authority Bangladesh, Bangladesh Insurance Association, Insurance companies, prioritizing enhancing public awareness, strengthening regulatory oversight, promoting digital insurance solutions, and expanding microinsurance and inclusive products.

### Conclusion

The macroeconomic outlook for 2025 presents a mixed scenario characterized by moderated growth, easing inflation, and persistent external vulnerabilities. While global and domestic challenges continue to influence the operating environment, improving stability and sectoral resilience offer cautious optimism. Reliance Insurance PLC remains well-positioned to navigate these challenges through disciplined underwriting, strong governance, customer-centric service delivery, and a continued commitment to inclusive insurance solutions.

# Credit Rating

Credit Rating Information and Services Limited (CRISL) has announced the Claim paying ability (CPA) rating of the Company as 'AAA' (Triple A indicating highest claim paying ability) based on the audited financial statements ended December 31, 2024 and other relevant qualitative and quantitative information up-to the date of rating on June 30, 2025.

CRISL
*Setting global standard at national level*

Credit Rating Information and Services Limited
First ISO 9001 : 2015 Certified Credit Rating Company in Bangladesh Operating Since 1995

## CREDIT RATING REPORT
## On
## RELIANCE INSURANCE PLC.

## REPORT: RR/093733/25

*This is a credit rating report as per the provisions of the Credit Rating Companies Rules, 2022. CRISL's Entity Rating is valid for only one year from the date of rating. After the above period, the rating will not carry any validity unless the company goes for rating surveillance.* ***CRISL followed Insurance Rating Methodology published in CRISL website www.crislbd.com***

| | |
|---|---|
| **Date of Rating:** June 30, 2025 | **Valid up to:** June 29, 2026 |
| **Entity Rating** | AAA |
| **Outlook** | Stable |


***Address:***
*CRISL*
*Nakshi Homes*
*(4th & 5th Floor)*
*6/1A, Segunbagicha,*
*Dhaka-1000*
*Tel: 9530991-4*
*Fax: 88-02-9530995*
*Email:*
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*Jubair Md. Hasan*
*Jubair@crislbd.com*


***Surveillance Rating:***
***CPA Rating: AAA***

***Outlook:*** *Stable*

***Rating :***
*Based on Audited Financials up to December 31, 2024*

***RELIANCE INSURANCE PLC.***

***ACTIVITY***
*Non- Life Insurance*

***DATE OF INCORPORATION***
*March 20, 1988*

***COMMENCEMENT OF BUSINESS***
*March 22, 1988*

***CHAIRMAN***
*Mr. Shamsur Rahman*

***CHIEF EXECUTIVE OFFICER***
*Mr. Md. Khaled Mamun, FCII (UK)*

***EQUITY***
*Tk.7,318;36 Million*

***TOTAL ASSETS***
*Tk.13,934.12 Million*

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### 1.0 RATIONALE

CRISL has assigned 'AAA' (Entity) rating to Reliance Insurance PLC. (RIL) based on the audited financials up to December 31, 2024 as well as un-audited financials up to March 31, 2025 and other relevant qualitative and quantitative information up-to the date of rating. The above rating has been assigned in consideration of its sound capital base, good business and financial performance, good FDR base etc. The company also carries some comforts in the area of market share, reinsurance arrangement, business and investment diversity along with experienced Board and management team.

RIL, being a first generation non-life insurance company, sources 100% of its business from national and multinational clients. The company is well diversified by line of business, underwriting all major lines of non-life insurance. The investment portfolio has been earning consistently good returns. CRISL considers RIL to have sound capital base to support any foreseeable growth over the coming years. Paid- up capital stood at Tk.1,051.61 million as on December 31, 2024 which is beyond from regulatory minimum level of Tk.400 million. RIL achieved overall earnings of Tk.1,411.94 million in 2024 (2023: Tk.1,059.51 million) and had an average net underwriting margin of 42.68% in 2024. PAT stood at Tk.958.84 million in 2024 (2022: Tk.690.18 million). Strong underwriting results, along with consistently good investment returns have balanced out this effect.

CRISL views RIL's investment strategy as diversified and secured with around 48.13% of its funds residing in FDR as well as in fixed income instruments and rest 51.87% in capital market investment. Moreover, RIL has significant unrealized gain from share market investment which is the hidden strength of the company. CRISL expects the company to continue its operation with prudent underwriting along with diversified business and investment portfolio. The above rating is however, constrained to some extent due to following concern areas which include moderate underwriting performance in fire segment, significant outstanding claim etc.

Entity rated in this category is adjudged to offer the highest safety. Highly structured and regulatory complied organization having long business experience in the industry with very high record of meeting business and financial obligations. Risk factors and changing economic conditions are unlikely to have any significant impact on this category of insurance entities.

CRISL also views the Company with 'Stable Outlook' from the industry viewpoint for overall industry growth and policy and regulations implicated by regulatory authority. CRISL believes that the Company will be able to maintain its fundamentals in foreseeable future.

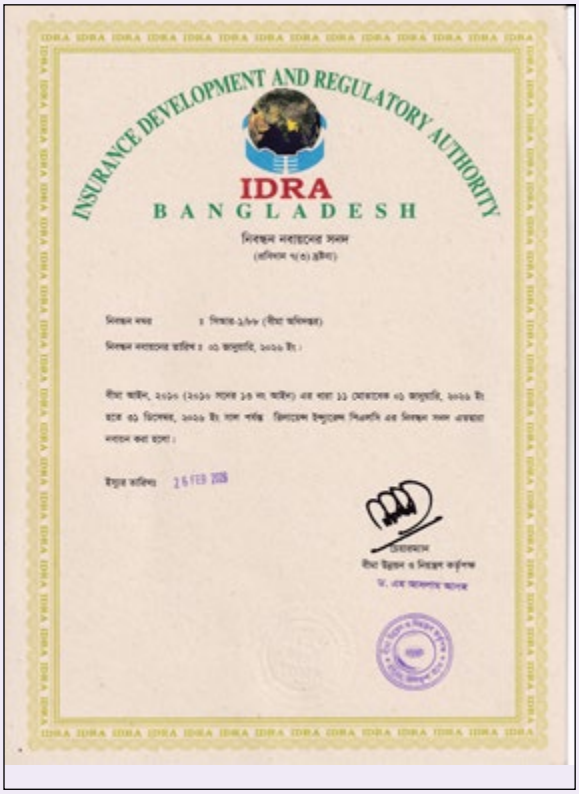
### 2.0 CORPORATE PROFILE

**2.1 The Genesis**

Reliance Insurance PLC., a first Generation non-life insurance company, was incorporated on March 20, 1988 as a Public Limited Company under the Companies Act 1913 (amended later in 1994) with a vision to become the premier insurance organization and the insurer first choice in Bangladesh with a sound reputation for dependability, professionalism and highest standard of customer service. RIL was formulated with the initiative of some renowned business personalities of the country having involvement in diversified business. The company obtained the Certificate of Registration for carrying on non-life insurance business from the

Md. Asaduzzaman Khan
Chief Executive Officer
Credit Rating Information and Services Limited

# Certificates

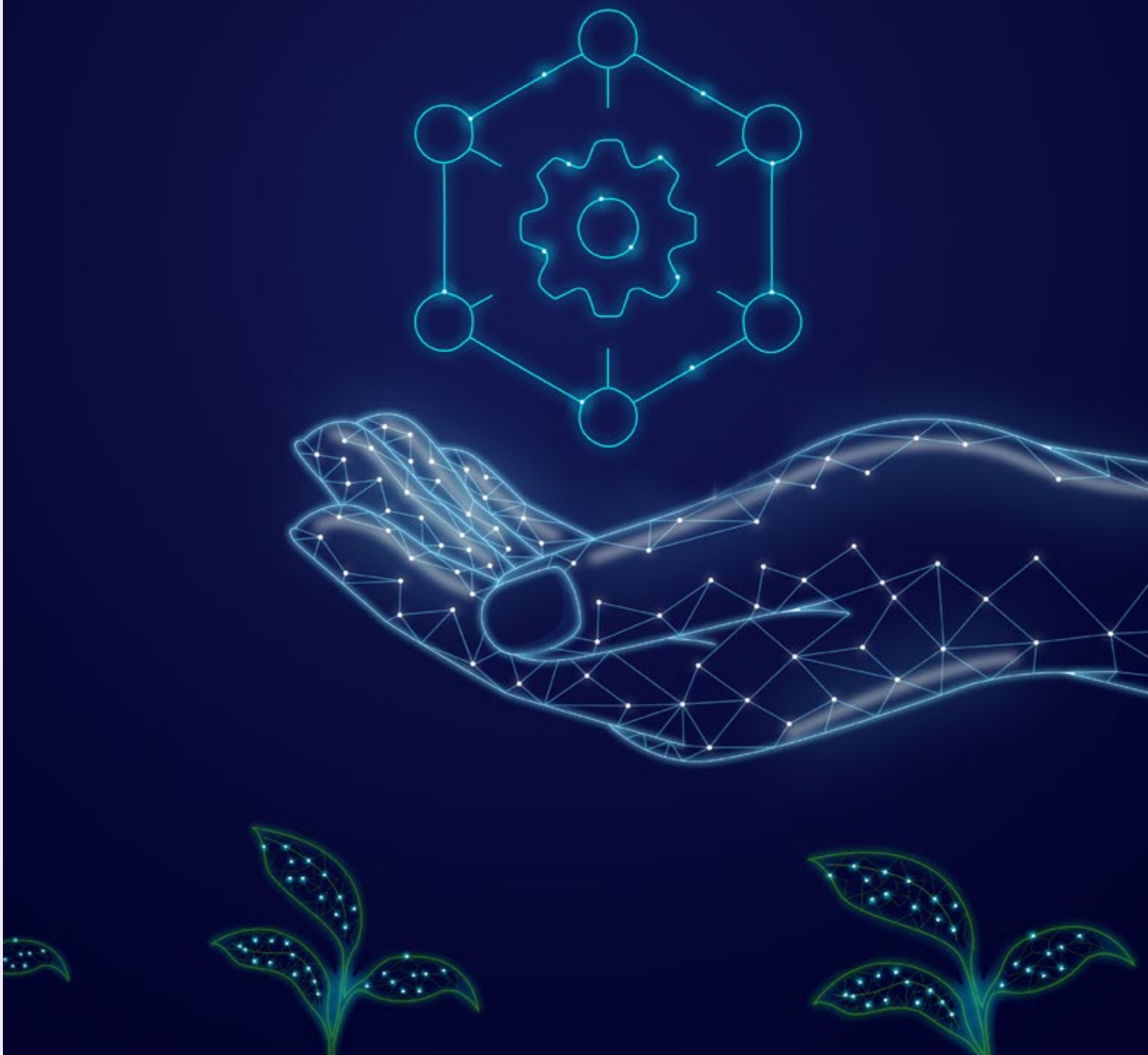






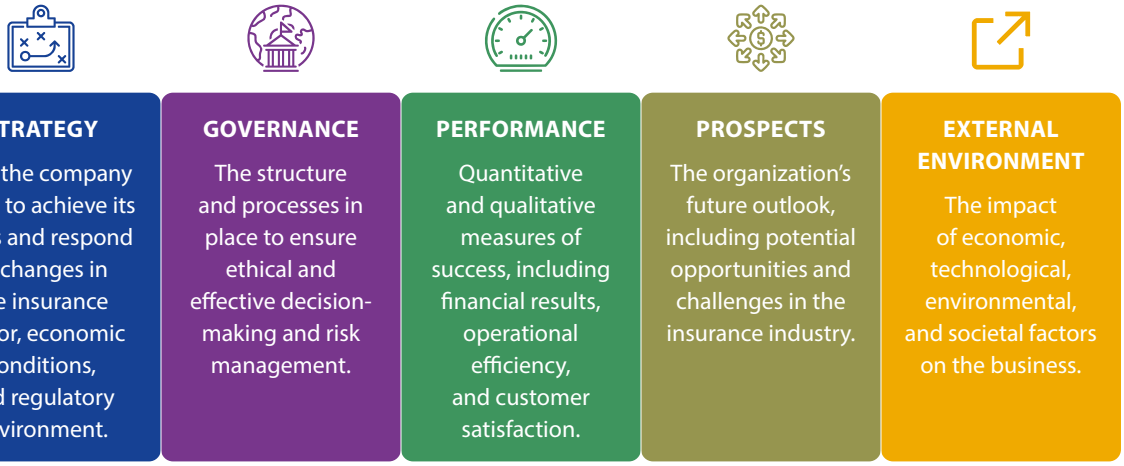


# INTEGRATED REPORTING



# The Future Built of Reliance Integrated Report

Reliance Insurance PLC, a first-generation private non-life insurer established in 1988, the concept of being "Future Built" rests upon a foundation of financial resilience, disciplined operational growth, and a steadfast commitment to stakeholder value. The fiscal year 2025 presented a narrative of contrasts for the company, demonstrating both its capacity for growth and its vulnerability to extraordinary economic shocks. While the company navigated significant headwinds in the final quarter, the underlying financial data reveals an organization with robust fundamentals, a strong balance sheet, and a clear trajectory toward sustainable value creation.



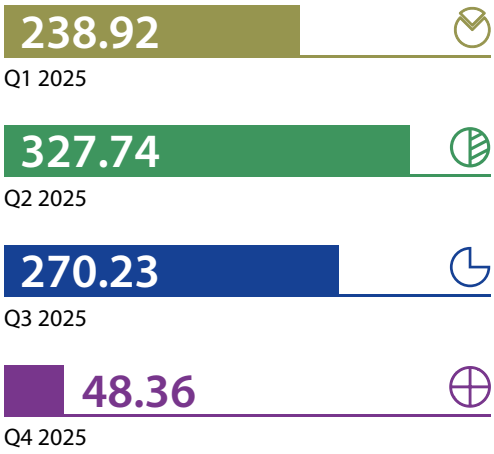

The financial performance over the nine months ending September 30, 2025, illustrated the company's operational momentum. During this period, Reliance Insurance PLC reported a net income of BDT 836.89 million, a notable increase from the BDT 728.86 million recorded in the same period of the previous year, reflecting a 16 percent growth in profitability. This performance translated to a basic earnings per share from continuing operations of BDT 7.96, up from BDT 6.93 a year earlier, signaling strong operational efficiency and effective underwriting discipline during the first three quarters of the year. However, the annual results for 2025, impacted by significant fourth-quarter events, showed a different picture. The company reported a 7.68 percent year-on-year decline in profit, with net income settling at BDT 885.25 million for the full year. This downturn was primarily attributed to the substantial claim settlements arising from the devastating cargo village fire at Dhaka's Hazrat Shahjalal International Airport in October 2025. Additionally, the company incurred a depreciation charge for its new building for the first time, which further tempered the year's profitability. Consequently, the earnings per share for the full year stood at Tk 8.42, a decrease from the Tk 9.12 reported in 2024.

Despite the profit decline in the final quarter, the company's broader financial health remained exceptionally strong, underscoring its "Future Built" stability. A key indicator of this strength is the net asset value per share, which improved significantly to Tk 78.95 in 2025, compared to Tk 69.59 in the prior year. This increase was driven by higher retained earnings and asset revaluation, reflecting the company's solidifying equity base and long-term value creation for shareholders . In recognition of this financial stability and commitment to returning value to its investors, the board of directors recommended a 30 percent cash dividend for general shareholders, maintaining a consistent payout ratio that underscores confidence in the company's enduring profitability.

Further reinforcing the narrative of a company built for the future, Reliance Insurance PLC demonstrated remarkable improvement in its cash flow generation. The net operating cash flow per share surged to Tk 6.84 in 2025 from a previous Tk 1.66, supported by higher premium income. This robust cash flow is a critical component of financial agility, providing the company with the liquidity to meet claim obligations promptly—evidenced by its claimed 78 percent settlement ratio—and to invest in future growth initiatives without undue reliance on external financing. This operational efficiency, combined with a strong net asset value and a strategic focus on diversifying its portfolio across fire, marine, motor, and miscellaneous segments, positions Reliance Insurance PLC as a resilient institution, capable of navigating immediate challenges while steadfastly building long-term value for its policyholders and shareholders alike.

### Quarterly Net Income Trend (2025)

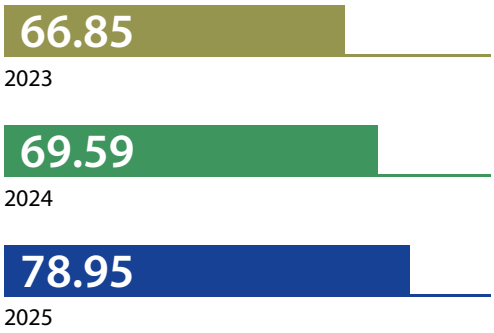
(BDT Million)




The graph shows a consistent upward trajectory from Q1 to Q2, peaking at BDT 327.74 million, followed by a moderate decline in Q3 to BDT 270.23 million, which remained within strong operational performance territory. The trend line then exhibits a dramatic downward inflection in Q4, plunging to BDT 48.36 million. This sharp decline is attributed to the extraordinary claim settlements arising from the cargo village fire at Dhaka's Hazrat Shahjalal International Airport in October 2025.

### Net Asset Value (NAV) Per Share Trend

(BDT)




This graph illustrates a consistent and uninterrupted upward trend over three consecutive years. The NAV per share increased from BDT 66.85 in 2023 to BDT 69.59 in 2024, representing a growth of 9.68 percent, and further strengthened to BDT 78.95 in 2025, marking an additional 8.39 percent increase. This steady upward trajectory reflects the company's growing equity base, driven by higher retained earnings, prudent asset revaluation, and sustained value creation for shareholders despite short-term profit volatility.

### Objective of the <IR> Framework for Integrated Reporting in Reliance Insurance PLC

The objective of adopting the International Integrated Reporting Framework at Reliance Insurance PLC is to transcend traditional financial reporting by presenting a cohesive narrative that illustrates how the organization creates, preserves, and erodes value across interconnected dimensions of capital. For a first-generation private non-life insurer operating in Bangladesh's dynamic and often volatile economic landscape, this framework serves as an essential tool to communicate the interplay between financial performance, risk management, and long-term strategic resilience. The fiscal year 2025 exemplified the necessity of such integrated thinking, as the company navigated a sharp divergence between its operational momentum in the first three quarters and the extraordinary disruption caused by fourth-quarter events, demonstrating that a single financial metric alone cannot capture the organization's true capacity for sustainable value creation.

The financial trajectory of Reliance Insurance across the quarters of 2025 reveals a story best understood through graphical analysis. A line graph plotting quarterly net income shows a consistent upward trend through the first three quarters, with the company reporting BDT 238.92 million in the first quarter, reaching a peak of BDT 327.74 million in the second quarter, and maintaining strong performance at BDT 270.23 million in the third quarter. This steady ascent reflected the company's underwriting discipline, effective premium growth across its fire, marine, motor, and miscellaneous segments, and operational efficiency from its network of 21 branches. The trend line during this period exhibited a positive slope, reinforcing the narrative of robust organic growth. However, the fourth quarter introduced a dramatic inflection point in the trend, as the line graph descends sharply to a net income of BDT 48.36 million. This abrupt downward shift was directly attributable to the catastrophic cargo village fire at Dhaka's Hazrat Shahjalal International Airport in October 2025, which resulted in substantial claim settlements that materially impacted the quarter's profitability. The full-year net income consequently settled at BDT 885.25 million, representing a 7.68 percent decline from the BDT 958.84 million reported in 2024.

When analyzed through the integrated reporting lens, this volatile trend is counterbalanced by other graphical indicators that reveal the organization's underlying strength. A second graph, depicting net asset value per share over the past three years, tells a story of consistent, uninterrupted growth. The trend line rises steadily from Tk 66.85 in 2023 to Tk 69.59 in 2024 and further to Tk 75.43 in 2025, demonstrating that despite the profit volatility in the fourth quarter, the company's equity base and long-term shareholder value have continued to strengthen. This upward trend was driven by higher retained earnings, prudent asset revaluation, and disciplined capital management—factors that are not immediately apparent from the quarterly profit trend alone. Similarly, a graph of net operating cash flow per share reveals an even more compelling trajectory, surging from Tk 1.66 in 2024 to Tk 6.84 in 2025. The steep upward slope of this trend line indicates that the company's core business generated significantly higher premium income and improved cash conversion efficiency, providing the liquidity necessary to meet extraordinary claim obligations without compromising financial stability.

The objective of adopting the International Integrated Reporting Framework at Reliance Insurance PLC is to present a holistic and connected narrative that transcends traditional financial reporting, illustrating how the organization creates, preserves, and potentially erodes value across multiple dimensions of capital. For a non-life insurer operating in Bangladesh's dynamic risk environment, this framework is indispensable for communicating the intricate relationships between underwriting performance, portfolio diversification, capital strength, and shareholder returns. The fiscal year 2025 provides a compelling demonstration of this integrated approach, as the company navigated the sharp contrast between nine months of strong operational momentum and the extraordinary disruption of a catastrophic fourth-quarter event.

### Purpose and Users of an Integrated Report for Reliance Insurance PLC

The purpose of an Integrated Report for Reliance Insurance PLC extends far beyond mere regulatory compliance; it is a strategic communication tool designed to provide a holistic and connected view of how the organization creates, preserves, and erodes value over time. For a first-generation private non-life insurer operating in Bangladesh's dynamic and often volatile economic landscape, the integrated report serves to bridge the gap between financial performance and the broader context of the company's operations, risk environment, and strategic resilience. The users of this report ranging from shareholders and potential investors to policyholders, regulators, credit rating agencies, and employees seek a transparent narrative that explains not only what the company achieved financially but also how it achieved those results, what risks it navigated, and how it is positioned for sustainable long-term growth.

### Annual Net Income Comparison (2024 vs. 2025)

(BDT)




This graph presents a comparative view of annual profitability, showing a decline from BDT 958.84 million in 2024 to BDT 885.25 million in 2025, representing a 7.68 percent decrease. This downward trend is directly attributable to the substantial fourth-quarter claim settlements following the October 2025 airport cargo village fire. When viewed alongside the quarterly trend graph, this annual comparison illustrates how a single extraordinary event in the final quarter offset the strong operational performance accumulated over the preceding nine months.

The 2025 fiscal year provides a compelling illustration of why integrated reporting is essential for meeting the needs of diverse stakeholders. A traditional financial report would present the headline numbers: gross premium growth of 5.63 percent to BDT 5,410 million, net premium growth of 9.90 percent to BDT 1,597 million, but a decline in net profit after tax of 7.68 percent to BDT 885 million. A user relying solely on this summary might conclude that the company's performance deteriorated. However, the integrated report, supported by graphical trend analysis, reveals a more nuanced and ultimately more reassuring story.

### Integrated Indicators

| Indicator | 2023 | 2024 | 2025 | Trend Interpretation |
|---|---|---|---|---|
| Gross Premium (BDT Million) | 3,902 | 5,122 | 5,410 | Consistent growth |
| Net Premium (BDT Million) | 1,339 | 1,453 | 1,597 | Accelerating growth |
| Net Profit After Tax (BDT Million) | 690 | 959 | 885 | Temporary decline |
| NAV Per Share (BDT) | 66.85 | 69.59 | 78.95 | Uninterrupted growth |
| EPS (BDT) | 6.56 | 9.12 | 8.42 | Volatile with recovery |
| NOCFPS (BDT) | 4.84 | 1.66 | 6.84 | Strong recovery |
| Net Loss Ratio | 15.52% | 20.62% | 22.21% | Elevated but contained |
| Retention Ratio | 34.32% | 28.37% | 29.52% | Improving |
| Cash Dividend | 25% | 30% | 30% | Consistent |

### Employees and Management

Employees and management represent a distinct and critical user group of the integrated report. For management, the report serves as a tool for strategic decision-making, performance evaluation, and communication of organizational direction. For employees, the report provides transparency about the company's stability, growth trajectory, and their role in value creation.

#### Organizational Stability

NAV grew 14% to BDT 78.95 per share, while total assets strengthened to BDT 15,167 million, reinforcing financial stability.

#### Growth Trajectory

Gross premium increased 5.63% to BDT 5,410 million, driven by strong performance in Fire and Marine Cargo segments.

#### Operational Efficiency

Operating cash flow per share surged 312% to BDT 6.84; employee productivity increased 46% to BDT 1,462 million per employee

#### Risk Awareness

Fire claim incurred increased 120.84% due to Q4 event; retention ratio strategically increased to 29.52%

#### Strategic Direction

Focus on Fire and Marine Cargo growth; conservative investment approach maintained

#### Performance Accountability

Segment-wise performance data enables targeted improvement and better decision-making.

#### Sustainability

Consistent dividend policy (30% for two years) and AAA credit rating demonstrate long-term stability

#### Employee Engagement

Training, incentives, and development programs enhance skills, productivity, and retention.

### Shareholders and Potential Investors

Shareholders and potential investors represent the primary capital providers for Reliance Insurance PLC. For existing shareholders, the integrated report serves as a tool for assessing management's stewardship of their invested capital. For potential investors, the report provides the foundation for investment decisions. This user group demands transparency, forward-looking insights, and a clear understanding of how the company creates and sustains value over time.

| Strength | Evidence |
|---|---|
| Consistent Value Creation | **NAV growth of 14%** |
| Strong Cash Generation | **312% surge in operating cash flow per share** |
| Attractive Income | **5.24% dividend yield, stable 30% payout** |
| Improving Efficiency | **ROE of 19.17%, ROA of 5.84%** |
| Conservative Investment Strategy | **61.4% in government securities** |
| Underwriting Profitability | **Combined ratio of 82.48%** |
| Potential Undervaluation | **P/B ratio of 0.86x, trading below book value** |

The integrated report bridges the gap between management's strategic decisions and shareholder value creation. Through transparent presentation of both achievements and challenges, supported by graphical trends that illustrate the company's trajectory, the report enables shareholders and potential investors to make informed decisions based on a complete understanding of the organization's performance, risks, and future prospects.

**Dividend Yield Trend (2023–2025)**

| Financial Year | Dividend Yield (%) | Dividend Per Share (BDT) | Market Price (BDT) |
|---|---|---|---|
| 2023 | 3.62 | 2.50 | 87.50 |
| 2024 | 5.24 | 3.00 | 68.50 |
| 2025 | 4.60 | 3.00 | 65.20 |

## Key Metrics

**Dividend Yield (2025)**



**4.60%**

**Industry Average (estimated)**



**3–4%**

**Premium to Industry**



**+31–74%**

## Policyholders

Policyholders are the foundation of Reliance Insurance PLC. They entrust the company with their premiums in exchange for protection against fire, marine, motor, and miscellaneous risks. For an insurance company, policyholders are not merely customers they are the source of premium income and the ultimate beneficiaries of the company's promise to pay claims when needed.

**Key Policyholder Protection Metrics**

| Metric | 2023 | 2024 | 2025 | Policyholder Implication |
|---|---|---|---|---|
| AAA Credit Rating | AAA | AAA | AAA | Highest claim-paying ability maintained |
| Claim Settlement Ratio | 44.53% | 48.20% | 78.00 | More claims being settled each year |
| NAV Per Share (BDT) | 66.85 | 69.59 | 78.95 | Growing financial buffer |
| Total Assets (BDT Million) | 12,528 | 13,934 | 15,167 | Expanding capacity to pay |
| Cash Position (BDT Million) | 4,126 | 3,616 | 3,597 | Strong immediate liquidity |
| Operating Cash Flow (NOCFPS) | 4.84 | 1.66 | 6.84 | Strong cash generation |
| Solvency Ratio (%) | 7.59 | 2.60 | 3.03 | 8x regulatory requirement |
| Government Securities (%) | — | — | 61.4% | Conservative investment |
| Cash Dividend | 25% | 30% | 30% | Consistent |

## Regulators

Regulators are the statutory authorities responsible for overseeing the insurance industry in Bangladesh. For Reliance Insurance PLC, the primary regulatory bodies are:

### Regulatory Bodies' Role and Authority

**Insurance Development and Regulatory Authority (IDRA)**

Primary regulator for the insurance industry; oversees solvency, compliance, and market conduct

**Financial Reporting Council (FRC)**

Oversees financial reporting standards and adoption of IFRS

**Registrar of Joint Stock Companies and Firms (RJSC)**

Oversees corporate governance and Companies Act compliance

**Bangladesh Securities and Exchange Commission**

Regulates the company as a listed public limited company; oversees capital market compliance

**National Board of Revenue (NBR)**

Oversees tax compliance and reporting

Regulators rely on the integrated report to ensure that the company operates within the legal and regulatory framework, maintains adequate solvency, protects policyholder interests, and adheres to financial reporting standards.

### Key Regulatory Requirements and Compliance Status

| Regulatory Requirement | Source | Compliance Status | Evidence from Integrated Report |
|---|---|---|---|
| Claim-Paying Ability Rating | IDRA | ✓ | AAA rating from CRISL |
| Investment Maintenance Regulations | IDRA (SRO No. 353-AvBb/2019) | ✓ | Investment portfolio disclosed in detail |
| Financial Statement Presentation | IDRA, FRC | ✓ | Statements prepared in accordance with IFRS |
| Listed Company Requirements | BSEC, Securities and Exchange Rules 2020 | ✓ | Regular disclosures and quarterly reports |
| Companies Act Compliance | Companies Act 1994 | ✓ | Proper governance and shareholder disclosures |
| Tax Compliance | Income Tax Act 2023 | ✓ | Tax provisions and payments disclosed |

For regulators, the integrated report provides comprehensive evidence that Reliance Insurance PLC operates within the legal and regulatory framework, maintains adequate solvency and capital, protects policyholder interests, and adheres to financial reporting standards. The graphical trends reveal a company that has consistently strengthened its financial position, improved its service delivery, and demonstrated its capacity to meet regulatory requirements. The AAA credit rating, growing NAV, strong cash position, and conservative investment strategy all point to one conclusion: the company is well-managed, financially sound, and compliant with regulatory expectations.

### Financial institutions

Financial institutions are entities that provide banking, lending, and investment services to Reliance Insurance PLC. They evaluate the company's creditworthiness, financial stability, and ability to meet its obligations. The integrated report serves as a critical tool for these institutions to assess risk, determine lending terms, and monitor ongoing relationships.

**Investment Portfolio Composition (2025)**

| Investment Type | Amount (BDT Million) | Percentage | Risk Level | Significance |
|---|---|---|---|---|
| Government Treasury Bond | 2,880.64 | 61.4% | Low | Highest quality collateral |
| Listed Shares | 1,563.26 | 33.3% | Medium | Marketable collateral |
| Mutual Funds | 247.16 | 5.3% | Medium | Diversified exposure |
| Unlisted Shares | 1.57 | 0.0% | High | Minimal exposure |

The integrated report provides comprehensive evidence that Reliance Insurance PLC is a highly creditworthy counterparty. The AAA credit rating, exceptional cash flow generation, strong liquidity position, growing capital base, and conservative investment strategy all point to a company with minimal credit risk. The substantial fixed assets and high-quality investment portfolio provide ample collateral for secured lending. The strong profitability metrics and consistent growth trajectory demonstrate the company's ability to service debt and meet all financial obligations. Financial institutions can confidently extend credit facilities to Reliance Insurance PLC, knowing that the company has the capacity, collateral, and commitment to meet its obligations.

### Principles-Based Approach for the Integrated Report of Reliance Insurance PLC

The adoption of a principles-based approach for the integrated report of Reliance Insurance PLC represents a fundamental shift from compliance-driven financial reporting to a strategic communication tool designed to provide stakeholders with a holistic, connected, and forward-looking view of how the organization creates, preserves, and erodes value over time. Grounded in the seven guiding principles of the International Integrated Reporting Framework—strategic focus and future orientation, connectivity of information, stakeholder relationships, materiality, conciseness, reliability and completeness, and consistency and comparability—this approach ensures that the report serves the distinct information needs of shareholders, policyholders, regulators, financial institutions, employees, and management. The fiscal year 2025, with its sharp contrast between nine months of strong operational momentum and the extraordinary disruption of the fourth-quarter cargo village fire, provides a compelling demonstration of how these principles transform financial data into meaningful insight.

### Strategic Focus and Future Orientation

Requires the integrated report to provide insight into the organization's strategy and how it relates to its ability to create value over the short, medium, and long term. For Reliance Insurance PLC, this principle is embodied in the clear articulation of strategic growth drivers, risk retention decisions, and capital allocation priorities. The segment-wise premium growth trend reveals that Fire and Marine Cargo are the primary growth engines, with Fire gross premium increasing by 7.92 percent to BDT 3,326 million and Marine Cargo growing by 9.10 percent to BDT 959 million in 2025. More significantly, the strategic decision to increase Fire retention from 14.76 percent in 2024 to 17.35 percent in 2025 reflects management's confidence in underwriting capabilities and its commitment to retaining more risk for long-term value creation. This strategic choice, while contributing to higher net premium growth of 9.90 percent to BDT 1,597 million, also exposed the company to greater net claim exposure, which materialized in the fourth quarter. The long-term orientation is further evidenced by the consistent upward trend in net asset value per share, which grew from BDT 66.85 in 2023 to BDT 69.59 in 2024 and further to BDT 78.95 in 2025 a 24.43 percent increase

over two years demonstrating that short-term earnings volatility does not detract from the company's long-term value creation trajectory. The "Future Built" vision is also reflected in the substantial investment in fixed assets, which surged by 89.5 percent in 2025 to BDT 3,435 million with the completion of the Reliance Insurance Tower, signaling a commitment to long-term operational presence and infrastructure.

**Combined NAV and EPS Trend with Strategic Milestones (2023–2025)**

| Financial Year | NAV Per Share (BDT) | EPS (BDT) | Strategic Milestone |
|---|---|---|---|
| 2023 | 66.85 | 6.56 | Strategic consolidation |
| 2024 | 69.59 | 9.12 | Peak profitability; Fire retention increased to 14.76% |
| 2025 | 78.95 | 8.42 | Cargo village fire event; Fire retention increased to 17.35%; Reliance Insurance Tower completed |

### Connectivity of Information

Demands that the integrated report show the interrelatedness and dependencies between the factors that affect the organization's ability to create value over time. The graphical presentation of quarterly net income across 2025 powerfully illustrates this connectivity. The trend line shows consistent upward momentum through the first three quarters, rising from BDT 238.92 million in Q1 to a peak of BDT 327.74 million in Q2, followed by a moderate decline to BDT 270.23 million in Q3. The dramatic downward inflection in Q4 to BDT 48.36 million is directly linked to the catastrophic cargo village fire at Dhaka's Hazrat Shahjalal International Airport in October 2025, an event that generated substantial claims. This connection between an external event and financial outcome is made explicit through graphical annotation, enabling stakeholders to understand the cause of the profit decline rather than drawing simplistic conclusions from the annual EPS decrease of 7.68 percent. Further connectivity is demonstrated in the relationship between the strategic decision to increase Fire retention and the subsequent increase in Fire claims incurred, which rose by 120.84 percent from BDT 120.98 million in 2024 to BDT 267.17 million in 2025. The graph comparing Fire retention ratios and Fire claims vividly illustrates this trade-off, showing that the benefits of higher net premium growth came with the cost of greater net claim exposure. The dual-axis graph combining net asset value per share and earnings per share provides perhaps the most compelling example of connectivity, revealing that while EPS exhibited volatility rising to BDT 9.12 in 2024 before declining to BDT 8.42 in 2025 NAV per share demonstrated uninterrupted growth from BDT 66.85 to BDT 69.59 to BDT 78.95 over the same period, proving that short-term profit fluctuations do not necessarily correlate with the erosion of long-term shareholder value.

**Connectivity of Information – Fire Retention, Fire Claims, and Net Income Impact (2024–2025)**

| Element | 2024 | 2025 | Connectivity |
|---|---|---|---|
| Fire Retention Ratio | 14.76% | 17.35% | Strategic decision to retain more risk |
| Fire Gross Claim Incurred (BDT Million) | 120.98 | 267.17 | Direct result of retention increase and event occurrence |
| Quarterly Net Income – Q4 (BDT Million) | 229.98 | 48.36 | The sharp Q4 decline is directly linked to fire claims from the cargo village fire |
| Fire Net Premium (BDT Million) | 454.83 | 576.97 | Higher retention delivers higher net premium growth |

### Stakeholder Relationships

Requires the integrated report to provide insight into how the organization responds to the legitimate needs and interests of its key stakeholders. The principles-based approach at Reliance Insurance PLC addresses this by presenting information tailored to each stakeholder group while maintaining a cohesive overall narrative. For shareholders and potential investors, the report focuses on value creation metrics such as NAV growth of 24.43 percent over two years, return on equity improving

from 15.26 percent in 2023 to 19.17 percent in 2025, and dividend stability with 30 percent cash maintained for two consecutive years. The price-to-book ratio declining to 0.86x, with the company trading at a 27.6 percent discount to its NAV of BDT 78.95, signals potential undervaluation that may interest value investors. For policyholders, the report prioritizes claim-paying ability, presenting the AAA credit rating from CRISL as the highest assurance of financial strength, the claim settlement ratio improving from 44.53 percent in 2023 to 78 percent in 2025, and the solvency ratio of 3.03 percent over three times the regulatory requirement of 1.00 percent demonstrating exceptional financial capacity to honor claims. The cash position of BDT 3,597 million and the 312 percent surge in net operating cash flow per share to BDT 6.84 further reassure policyholders of the company's liquidity to pay claims promptly. For regulators, the report emphasizes compliance and solvency, presenting the solvency ratio trend over three years, the investment portfolio composition with 61.4 percent in government securities, and the retention ratios by segment that demonstrate prudent risk management. For financial institutions, the report highlights creditworthiness through the AAA rating, exceptional cash flow generation, strong liquidity, and substantial fixed assets of BDT 3,435 million that serve as high-quality collateral. For employees and management, the report provides stability indicators such as consistent NAV growth, the completion of the new corporate headquarters, and the employee productivity rate increasing from BDT 998 million per employee in 2024 to BDT 1,462 million in 2025, demonstrating organizational growth and efficiency.

**Stakeholder Relationships – Key Indicators of Value Creation (2024–2025)**

| Stakeholder Group | Primary Need | Key Indicator | 2024 | 2025 | How the Company Responds |
|---|---|---|---|---|---|
| Shareholders | Long-term value creation & returns | NAV Per Share (BDT) | 69.59 | 78.95 | 24.43% NAV growth over two years; 30% cash dividend maintained for three consecutive years |
| Policyholders | Claim-paying ability & service quality | Claim Settlement Ratio (%) | 48.20 | 78 | AAA credit rating maintained; improving settlement ratio; BDT 3,597 million cash available for claims |
| Regulators | Solvency & regulatory compliance | Solvency Ratio (%) | 2.60 | 3.03 | 17% above regulatory requirement of 1.00%; conservative investment with 61.4% in government securities |
| Financial Institutions | Creditworthiness & repayment capacity | Net Operating Cash Flow Per Share (BDT) | 1.66 | 6.84 | 312% surge in operating cash flow; AAA credit rating; BDT 3,435 million fixed assets as collateral |
| Employees | Organizational stability & growth | Total Assets (BDT Million) | 13,934 | 15,167 | 9% asset growth over two years; Reliance Insurance Tower completed; stable employment environment |

**Materiality**

Requires the integrated report to focus on matters that substantively affect the organization's ability to create value over time. The principles-based approach at Reliance Insurance PLC prioritizes those metrics that are most decision-useful for stakeholders. The claim-paying ability, reflected in the AAA credit rating and the improving claim settlement ratio, is presented as material because it directly affects policyholder trust and business viability. Profitability metrics, including quarterly net income and earnings per share, are material because they influence dividend capacity and reinvestment decisions. Solvency is material for regulatory compliance and financial stability, with the 3.03 percent solvency ratio representing a 203 percent

buffer above the regulatory requirement. Liquidity, demonstrated by the BDT 3,597 million cash position and the 312 percent surge in operating cash flow per share, is material because it indicates the ability to meet obligations. Net asset value per share is material as the primary indicator of long-term value creation, with the 24.43 percent growth over two years serving as the foundation of the "Future Built" narrative. Risk retention, illustrated through segment-wise retention ratios, is material because it reflects underwriting discipline and exposure, with the increase in Fire retention from 14.76 percent to 17.35 percent representing a strategic choice that directly affected the company's risk profile. Investment performance is material as a diversified income source, with investment income growing by 141.43 percent over two years to BDT 770 million in 2025, representing 87 percent of net profit after tax. Segment performance is material because it identifies growth drivers Fire and Marine Cargo and areas requiring strategic attention Motor, Marine Hull, and Miscellaneous. By focusing on these material matters, the integrated report ensures that stakeholders receive the information most relevant to their decisions.

**Materiality Dashboard – Key Value Drivers for Reliance Insurance PLC (2024–2025)**

| Material Matter | Why It Matters | Key Indicator | 2024 | 2025 | Materiality Threshold |
|---|---|---|---|---|---|
| **Capital Strength** | Long-term viability; ability to absorb shocks; shareholder value | NAV Per Share (BDT) | 69.59 | 78.95 | Consistent growth signals enduring value |
| **Claim-Paying Ability** | Policyholder protection; business reputation; AAA rating sustainability | Claim Settlement Ratio (%) | 48.20 | 78 | Improving trend demonstrates service excellence |
| **Liquidity** | Ability to meet immediate obligations; claim payment capacity | Cash & Cash Equivalents (BDT Million) | 3,616 | 3,597 | Strong position covering 77 months of expenses |
| **Profitability** | Earnings capacity; dividend sustainability; reinvestment capability | Return on Equity (%) | 17.18 | 19.17 | Consistent improvement signals effective capital utilization |
| **Cash Generation** | Operating efficiency; debt service capacity; growth funding | Net Operating Cash Flow Per Share (BDT) | 1.66 | 6.84 | 312% surge demonstrates operational excellence |
| **Asset Quality** | Investment safety; collateral value; income stability | Government Securities (% of Investment) | — | 61.4% | Conservative strategy protects policyholder funds |

### Conciseness

Requires the integrated report to present information in a clear, understandable, and concise manner without sacrificing necessary context. At Reliance Insurance PLC, this principle is implemented through the extensive use of graphical trends that communicate complex financial data efficiently. The quarterly net income line graph tells the story of 2025's performance in a single visual, showing the strong first three quarters and the sharp Q4 decline. The combined NAV and EPS dual-axis graph conveys the critical distinction between long-term value creation and short-term earnings volatility in a format that stakeholders can grasp instantly. The segment-wise retention ratios table allows regulators and management to assess risk exposure across business lines at a glance. The multi-year trend summaries, presented in concise tables, enable stakeholders to compare performance across 2023, 2024, and 2025 without wading through extensive narratives. For example, the table showing NAV per share progressing from BDT 66.85 to BDT 69.59 to BDT 78.95 communicates 24.43 percent growth more effectively than paragraphs of text. The stakeholder-specific sections allow each user group to focus on the information most relevant to them, respecting their time while ensuring they have access to the full context if needed. The use of summary dashboards, such as the key metrics table that consolidates NAV, EPS, NOCFPS, solvency ratio, and other critical indicators into a single view, further enhances conciseness. By presenting information in this streamlined manner, the integrated report ensures that stakeholders can quickly grasp the company's performance and position without being overwhelmed by unnecessary detail.

### Conciseness – The Complete Story in One View (2023–2025)

| Financial Year | NAV Per Share (BDT) | EPS (BDT) |
|---|---|---|
| 2023 | 66.85 | 6.56 |
| 2024 | 69.59 | 9.12 |
| 2025 | 78.95 | 8.42 |

### Reliability and Completeness

Requires the integrated report to include all material matters, both positive and negative, in a balanced way without material error. The principles-based approach at Reliance Insurance PLC demonstrates this commitment through the balanced presentation of outcomes. Positive trends are presented alongside challenges: the 24.43 percent growth in NAV over two years is shown alongside the 7.68 percent decline in EPS; the 312 percent surge in operating cash flow per share is shown alongside the increase in combined ratio from 67.21 percent to 82.48 percent; the improvement in claim settlement ratio from 44.53 percent to 78 percent is shown alongside the 120.84 percent increase in Fire claims incurred. The negative outcome of the fourth quarter profit decline is not hidden but prominently presented in the quarterly net income graph with annotation linking it to the cargo village fire event. This contextual explanation transforms a potentially concerning negative outcome into an understandable event-driven occurrence rather than a systemic performance issue. All financial data presented in the integrated report is derived from the audited financial statements, ensuring accuracy and verifiability. The investment portfolio composition is presented with full transparency, showing that while 61.4 percent is in safe government securities, 33.3 percent is in listed shares and 17.2 percent in NBFI placements areas that may require regulatory monitoring. By presenting this information without omission, the integrated report builds trust with stakeholders who can rely on its completeness and accuracy.

### Reliability and Completeness – Balanced Presentation of Positive and Negative Outcomes (2024–2025)

| Category | Metric | 2024 | 2025 | Change |
|---|---|---|---|---|
| **Positive Achievements** | NAV Per Share (BDT) | 69.59 | 78.95 | +13.45% |
| | Net Operating Cash Flow Per Share (BDT) | 1.66 | 6.84 | +312% |
| | Return on Equity (%) | 17.18 | 19.17 | +11.58% |
| | Claim Settlement Ratio (%) | 48.20 | 78 | +10.50% |
| | Total Assets (BDT Million) | 13,934 | 15,167 | +21.06% |
| **Negative Challenges** | EPS (BDT) | 9.12 | 8.42 | -7.68% |
| | Combined Ratio (%) | 69.72 | 82.48 | +18.31% |
| | Fire Claims Incurred (BDT Million) | 120.98 | 267.17 | +120.84% |
| | Q4 Net Income (BDT Million) | 229.90 | 48.36 | -82.40% |

### Consistency and Comparability

Requires the integrated report to enable comparison over time and with other organizations to the extent material. The principles-based approach at Reliance Insurance PLC achieves this through the consistent presentation of multi-year trends for all key metrics. NAV per share is presented for 2023, 2024, and 2025, enabling stakeholders to see the uninterrupted upward trend. Earnings per share is presented across the same three-year period, revealing the peak in 2024 and the decline in 2025. Gross premium is tracked from BDT 3,902 million in 2023 to BDT 5,122 million in 2024 to BDT 5,410 million in 2025, showing the growth trajectory. The combined ratio, a standard industry metric, is presented for three years, allowing comparison with other insurance companies. The segment-wise data is presented consistently across Fire, Marine Cargo,

Marine Hull, Motor, and Miscellaneous segments, enabling stakeholders to compare performance across business lines and identify growth drivers. The use of consistent definitions ensures that the 2025 loss ratio of 22.21 percent is calculated on the same basis as the 2024 loss ratio of 20.62 percent, enabling meaningful comparison. The retention ratios, claim settlement ratios, and solvency ratios are all presented using consistent methodologies across all reporting periods. This consistency enables stakeholders to identify trends, assess management's track record, and compare Reliance Insurance PLC's performance with industry peers. The three-year horizon provides sufficient context to distinguish between temporary fluctuations and sustained trends, such as the steady improvement in return on equity from 15.26 percent to 17.18 percent to 19.17 percent, which signals consistent enhancement in capital efficiency rather than one-time outperformance.

### Consistency and Comparability – NAV Per Share Trend (2023–2025)

| Financial Year | NAV Per Share (BDT) | Year-on-Year Change | Cumulative Growth |
|---|---|---|---|
| 2023 | 66.85 | — | — |
| 2024 | 69.59 | +9.68% | +9.68% |
| 2025 | 78.95 | +13.45% | +24.43% |

### Form of Report and Relationship with Other Information – Reliance Insurance PLC

The form of report and its relationship with other information represent a fundamental aspect of the integrated reporting framework, addressing how the integrated report is structured, how it connects with other communications from the organization, and how it serves as the primary tool for conveying a cohesive narrative of value creation. For Reliance Insurance PLC, the integrated report is designed to stand as the definitive communication document the single source of truth that connects financial statements, regulatory filings, sustainability disclosures, and management commentary into a unified story. The relationship between these various information sources is not one of duplication but of integration, where each element contributes to a complete understanding of how the organization creates, preserves, and erodes value over time.

The integrated report of Reliance Insurance PLC is structured as a cohesive narrative that begins with the organization's "Future Built" vision and progresses through strategic focus, stakeholder relationships, performance analysis, and forward-looking perspectives. Unlike traditional annual reports that present financial statements in isolation, this integrated report places financial data within its proper context. The financial statements themselves the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows, and revenue accounts—remain the authoritative source of audited financial information. However, the integrated report transforms these discrete statements into a connected narrative by explaining the relationships between them and by providing the strategic and operational context necessary for understanding.

### Relationship Between Financial Statements and Integrated Report

#### Statement of Financial Position

| Role | How It Relates to Integrated Report |
|---|---|
| Audited snapshot of assets, liabilities, and equity | Provides the source data for NAV analysis and solvency assessment |

#### Statement of Comprehensive Income

| Role | How It Relates to Integrated Report |
|---|---|
| Audited record of revenue, expenses, and profit | Provides the source data for EPS, ROE, and profitability trends |

## Statement of Cash Flows

| Role | How It Relates to Integrated Report |
|---|---|
| Audited record of cash inflows and outflows | Provides the source data for liquidity and cash flow analysis |

## Revenue Accounts (Segment-Wise)

| Role | How It Relates to Integrated Report |
|---|---|
| Notes to Financial Statements | Provides the source data for segment growth, retention, and claims analysis |

## Notes to Financial Statements

| Role | How It Relates to Integrated Report |
|---|---|
| Detailed disclosures and accounting policies | Provides the supporting detail for all reported figures |

## Integrated Report

| Role | How It Relates to Integrated Report |
|---|---|
| Connected narrative of value creation | Synthesizes all components into a cohesive story |

The integrated report's relationship with the financial statements is one of synthesis rather than replacement. The financial statements provide the raw data BDT 5,410 million in gross premium, BDT 1,597 million in net premium, BDT 885 million in net profit after tax, BDT 78.95 in NAV per share. The integrated report then connects these figures to the strategic decisions that produced them. For example, the increase in Fire retention from 14.76 percent to 17.35 percent strategic decision disclosed in the integrated reports directly linked to the increase in Fire net premium from BDT 455 million to BDT 577 million, as shown in the revenue accounts. Similarly, the 120.84 percent increase in Fire claims incurred, visible in the financial statements, is connected in the integrated report to the cargo village fire event in October 2025. This connectivity transforms isolated numbers into meaningful information.

### Relationship Between Strategic Decisions and Financial Outcomes

| Strategic Decision | Source in Integrated Report | Financial Outcome | Source in Financial Statements |
|---|---|---|---|
| Increase Fire retention from 14.76% to 17.35% | Management commentary on risk strategy | Fire net premium increased 26.85% to BDT 577 million | Fire Revenue Account |
| Completion of Reliance Insurance Tower | Investment in infrastructure section | Fixed assets increased 89.5% to BDT 3,435 million | Statement of Financial Position |
| Conservative investment strategy | Investment management section | 61.4% of investments in government securities | Investment Notes |
| Maintain 30% cash dividend | Dividend policy section | Dividend payout of BDT 315 million | Statement of Changes in Equity |

The integrated report also establishes clear relationships with regulatory filings and other external communications. The company's AAA credit rating, issued by CRISL, is referenced and explained within the report, with the solvency ratio of 3.03 percent providing the underlying financial evidence that supports this rating. The quarterly financial statements filed with BSEC and IDRA are summarized and contextualized, with the quarterly net income trend graph providing a visual representation of the performance across the four quarters of 2025. The annual return filed with the Registrar of Joint Stock Companies and Firms is reflected in the shareholders' equity disclosures and the distribution schedule of shareholdings.

### Relationship Between Integrated Report and External Communications

| External Communication | Purpose | How Integrated Report Relates |
|---|---|---|
| Audited Financial Statements | Legal compliance and financial disclosure | Synthesizes and contextualizes the financial data |
| Quarterly Disclosures (BSEC) | Interim performance reporting | Summarizes quarterly trends in a multi-year context |
| Regulatory Filings (IDRA) | Insurance-specific compliance | Provides strategic context for regulatory metrics |
| CRISL Credit Rating Report | Independent credit assessment | References and explains the AAA rating |
| Annual General Meeting Materials | Shareholder communication | Serves as the primary document for AGM discussion |
| Corporate Website | Public information and transparency | Provides downloadable full integrated report |

The form of the integrated report itself is designed to facilitate understanding across stakeholder groups. The report is structured with clear sections that address the specific needs of each stakeholder group shareholders, policyholders, regulators, financial institutions, and employees while maintaining a cohesive overall narrative. Each section begins with a summary of key messages, supported by graphical trends that allow stakeholders to quickly grasp the essential information. The detailed analysis that follows provides the depth necessary for those seeking comprehensive understanding, while the executive summary and graphical overviews serve those seeking concise information.

The relationship between the integrated report and other information is also defined by the concept of materiality. The integrated report does not attempt to duplicate all information contained in other communications but rather focuses on the material matters that substantively affect the organization's ability to create value. Detailed technical information, such as complete fixed asset schedules or deferred tax calculations, is referenced in the notes to the financial statements but not reproduced in the main body of the integrated report. Stakeholders seeking this level of detail can access it in the full financial statements, while the integrated report provides the strategic context that makes that detailed information meaningful.

The form of the integrated report also reflects the principles of conciseness and comparability. The use of consistent graphical formats across all sections enables stakeholders to quickly locate and interpret information. The three-year trend lines for NAV per share, EPS, NOCFPS, and other key metrics allow for time-based comparison. The segment-wise breakdowns for premium, retention, and claims enable comparison across business lines. The stakeholder-specific dashboards enable comparison of how the company serves different stakeholder groups.

### Consistent Graphical Formats Across Report Sections

| Metric Category | Format | Consistency Feature |
|---|---|---|
| Key Performance Indicators | Three-year tables with trend arrows | Same format across all sections |
| Segment Performance | Five-segment breakdown tables | Same segment definitions throughout |
| Financial Ratios | Percentage comparisons with benchmarks | Consistent calculation methodologies |
| Quarterly Trends | Line graphs with Q1–Q4 labels | Same axis scales and labeling |
| Stakeholder Metrics | Dashboard with stakeholder-specific indicators | Consistent stakeholder grouping |

The relationship between the integrated report and other information is further defined by timing. The integrated report is issued annually, following the completion of the audited financial statements. It serves as the comprehensive record of the year's performance, providing the strategic context that quarterly disclosures, by their nature, cannot provide. Quarterly disclosures focus on immediate performance, while the integrated report connects those quarterly results into a coherent annual narrative. For stakeholders who follow the company throughout the year, the integrated report provides the annual synthesis that transforms quarterly data points into a complete picture.

### Information Timing and Stakeholder Use

| Communication | Timing | Purpose | Relationship to Integrated Report |
|---|---|---|---|
| Quarterly Disclosures | March, June, September, December | Interim performance updates | Provides building blocks for annual narrative |
| Annual Financial Statements | February (following year-end) | Audited financial results | Forms the factual foundation of integrated report |
| Integrated Report | April (following year-end) | Strategic narrative of value creation | Synthesizes all information into cohesive story |
| Annual General Meeting | April (following year-end) | Shareholder approval and discussion | Uses integrated report as primary discussion document |

### Application of the <IR> Framework for Reliance Insurance PLC

The application of the International Integrated Reporting Framework at Reliance Insurance PLC represents a fundamental transformation in how the organization communicates its value creation story to stakeholders. Moving beyond traditional financial reporting, which focuses narrowly on historical financial performance, the <IR> framework enables the company to present a holistic, connected, and forward-looking narrative that demonstrates how it creates, preserves, and erodes value across multiple dimensions of capital. For Reliance Insurance PLC, the application of this framework is not merely a compliance exercise but a strategic imperative one that aligns with the company's "Future Built" vision and its commitment to transparency, accountability, and long-term sustainable growth.

The framework's application begins with the fundamental concept of value creation, which at Reliance Insurance PLC is understood to extend far beyond profit maximization. The company recognizes that value is created through the effective management of six capitals: financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, and natural capital. The integrated report demonstrates how each of these capitals contributes to the organization's ability to deliver value to stakeholders over time.

### The Six Capitals and Their Application at Reliance Insurance PLC

#### Financial Capital

- **Definition**

  Funds available for operations and investment

- **Application at Reliance Insurance PLC**

  Shareholders' equity, retained earnings, investment portfolio

- **Key Indicators**

  NAV per share, ROE, solvency ratio

#### Manufactured Capital

- **Definition**

  Physical infrastructure and assets

- **Application at Reliance Insurance PLC**

  Reliance Insurance Tower, branch network (21 branches), office equipment

- **Key Indicators**

  Fixed assets, branch expansion, infrastructure investment

#### Intellectual Capital

- **Definition**

  Knowledge, systems, and processes

- **Application at Reliance Insurance PLC**

  Underwriting expertise, risk management systems, brand reputation

- **Key Indicators**

  AAA rating, retention ratios, underwriting profitability

#### Human Capital

- **Definition**

  People, skills, and experience

- **Application at Reliance Insurance PLC**

  247 employees, management expertise, training programs

- **Key Indicators**

  Employee productivity, key management compensation, stability

## Social and Relationship Capital

- **Definition**

  Stakeholder relationships and trust

- **Application at Reliance Insurance PLC**

  Policyholder trust, shareholder confidence, regulatory relationships

- **Key Indicators**

  Claim settlement ratio, stakeholder satisfaction, AAA rating

## Natural Capital

- **Definition**

  Environmental resources and impact

- **Application at Reliance Insurance PLC**

  Environmental risk assessment, sustainability practices

- **Key Indicators**

  Risk exposure, climate-related risk management

The framework's application is most powerfully demonstrated in the connectivity between these capitals. The investment in manufactured capital the Reliance Insurance Tower not only provides operational space but also generates rental income (financial capital), enhances the company's brand presence (intellectual capital), and provides a tangible asset for collateral (financial capital). Similarly, the investment in human capital through management expertise enables the strategic decision to increase Fire retention (intellectual capital), which in turn enhances net premium growth (financial capital) while increasing risk exposure a trade-off that must be managed through effective underwriting systems (intellectual capital) and maintained through policyholder trust (social and relationship capital).

The <IR> framework's guiding principles are applied systematically throughout the integrated report. Strategic focus and future orientation is demonstrated through the articulation of growth strategies focusing on Fire and Marine Cargo as primary growth engines and the commitment to long-term value creation evidenced by consistent NAV growth of 24.43 percent over two years. The quarterly net income graph, showing strong Q1–Q3 performance followed by a Q4 decline, is contextualized within the strategic decision to increase Fire retention and the external event of the cargo village fire, demonstrating connectivity of information. The report addresses the distinct needs of each stakeholder group shareholders, policyholders, regulators, financial institutions, and employees through dedicated sections that highlight the metrics most relevant to each, fulfilling the stakeholder relationships principle.

**Materiality Assessment – Key Value Drivers**

| Material Matter | Threshold for Materiality | 2025 Value | Status |
|---|---|---|---|
| Capital Strength | Affects long-term viability and shareholder value | NAV: 78.95 BDT | Material |
| Claim-Paying Ability | Affects policyholder trust and business reputation | Settlement Ratio: 78% | Material |
| Liquidity | Affects ability to meet obligations | Cash: 3,597 Million BDT | Material |
| Profitability | Affects earnings capacity and dividend sustainability | ROE: 19.17% | Material |
| Cash Generation | Affects operating efficiency and growth funding | NOCFPS: 6.84 BDT | Material |
| Risk Retention | Affects underwriting discipline and exposure | Fire Retention: 17.35% | Material |
| Asset Quality | Affects investment safety and collateral value | Govt Securities: 61.4% | Material |

The application of the conciseness principle is evident in the use of graphical trends to communicate complex information efficiently. The single graph combining NAV per share and earnings per share over three years tells the complete story of long-term value creation and short-term volatility in a visual format that can be understood in seconds. Similarly, the materiality dashboard consolidates eight key value drivers into a single view, enabling stakeholders to assess the company's health across all material dimensions without wading through pages of narrative.

The reliability and completeness of the integrated report are assured through the balanced presentation of both positive and negative outcomes. The report does not hide the Q4 profit decline or the increase in Fire claims but presents these challenges alongside the positive achievements of NAV growth, cash flow surge, and improving claim settlement ratio. All data presented is derived directly from the audited financial statements, ensuring accuracy and verifiability.

### Reliability and Completeness – Balanced Presentation

| Category | Metric | 2024 | 2025 |
|---|---|---|---|
| Positive | NAV Per Share (BDT) | 69.59 | 78.95 |
| Positive | NOCFPS (BDT) | 1.66 | 6.84 |
| Positive | ROE (%) | 17.18 | 19.17 |
| Positive | Claim Settlement (%) | 48.20 | 78 |
| Negative | EPS (BDT) | 9.12 | 8.42 |
| Negative | Combined Ratio (%) | 76.18 | 82.48 |
| Negative | Q4 Net Income (BDT Million) | 229.98 | 48.36 |

The consistency and comparability of the integrated report are achieved through the presentation of three-year trends for all key metrics, using consistent definitions and methodologies across all periods. Stakeholders can compare 2025 performance to 2024 and 2023 with confidence that the underlying calculations have not changed. The segment-wise data is presented consistently across Fire, Marine Cargo, Marine Hull, Motor, and Miscellaneous segments, enabling comparison across business lines.

The application of the <IR> framework also requires consideration of the organization's business model and how it transforms inputs through business activities into outputs and outcomes. For Reliance Insurance PLC, the business model is centered on the collection of premiums, the management of risk through underwriting and reinsurance, the investment of funds, and the payment of claims. The integrated report demonstrates how each element of the business model contributes to value creation.

### Future Orientation – Building on 2025 Performance

| Strength | 2025 Achievement | Future Implication |
|---|---|---|
| Capital Strength | NAV grew to BDT 78.95 | Foundation for future growth |
| Cash Generation | NOCFPS surged 312% | Liquidity for strategic investments |
| Investment Income | 25.38% growth to BDT 770 million | Diversified, stable income stream |
| Infrastructure | Reliance Insurance Tower completed | Operational capacity for expansion |
| Credit Rating | AAA maintained | Access to capital and reinsurance |
| Negative | Combined Ratio (%) | 82.48 |
| Negative | Fire Claims (BDT Million) | 267.17 |
| Negative | Q4 Net Income (BDT Million) | 48.36 |

### Responsibility for the Integrated Report of Reliance Insurance PLC

The responsibility for the integrated report of Reliance Insurance PLC is a shared accountability that rests with multiple parties across the organization, each contributing essential expertise, oversight, and assurance to ensure that the report provides a true, fair, and connected account of how the company creates, preserves, and erodes value. This collective responsibility reflects the fundamental principle that integrated reporting is not merely a compliance exercise delegated to a single department but a strategic communication that requires the engagement of the board, executive management, financial reporting teams, risk management professionals, and external auditors. The integrated report of Reliance Insurance PLC is the product of this collaborative effort, representing the organization's commitment to transparency, accountability, and stakeholder communication.

The Board of Directors bears the ultimate responsibility for the integrated report, providing oversight and governance to ensure that the report presents a complete, accurate, and balanced account of the company's performance and prospects. The Board's responsibility encompasses the approval of the report's content, the validation of the strategic narrative, and the assurance that the report addresses the material matters that substantively affect the organization's ability to create value. The Board is also responsible for ensuring that the report aligns with the "Future Built" vision and strategic direction that it has established for the organization. The Board's oversight is evidenced by the approval of the financial statements on February 10, 2026, and the authorization of the integrated report for issuance, as noted in the statement of financial position and the accompanying notes.

### Board of Directors – Oversight Responsibilities

| Responsibility | How It Is Fulfilled | Evidence in Integrated Report |
|---|---|---|
| Strategic Direction | Establishes "Future Built" vision and growth priorities | Strategic focus sections; segment growth strategies |
| Approval of Financial Statements | Reviews and approves audited financial statements | Statement of Financial Position signed by Chairman and Directors |
| Validation of Narrative | Ensures strategic narrative accurately reflects decisions | Management commentary on Fire retention and investment decisions |
| Materiality Assessment | Approves material matters to be included | Materiality dashboard with key value drivers |
| Stakeholder Communication | Ensures report addresses all stakeholder groups | Stakeholder-specific sections for shareholders, policyholders, regulators |
| Risk Oversight | Reviews risk management disclosures | Retention ratios, solvency ratio, AAA rating |

Executive management, led by the Chief Executive Officer and the Chief Financial Officer, bears the operational responsibility for the preparation of the integrated report. This responsibility includes the compilation of financial data from the audited financial statements, the development of the strategic narrative that connects financial outcomes to business decisions, and the coordination of inputs from across the organization. The CEO ensures that the report reflects the company's strategic priorities and communicates the "Future Built" vision effectively. The CFO, as the chief financial officer, is responsible for the accuracy and completeness of the financial data presented, ensuring that the financial statements and the integrated report are consistent and that all material financial information is properly disclosed. The signed financial statements, bearing the signatures of the Chief Executive Officer and the Chief Financial Officer, attest to this responsibility.

### Executive Management – Operational Responsibilities

| Role | Responsibility | Key Contributions to Integrated Report |
|---|---|---|
| Chief Executive Officer | Overall strategic narrative; alignment with vision | "Future Built" vision; strategic decisions on retention and growth |
| Chief Financial Officer | Financial data accuracy; consistency with financial statements | NAV, EPS, cash flow, solvency metrics; financial statement reconciliation |
| Company Secretary | Governance compliance; board approval processes | Board meeting minutes; authorization for issuance |
| Head of Risk Management | Risk disclosures; material risk assessment | Retention ratios; solvency analysis; reinsurance arrangements |
| Head of Underwriting | Segment performance data; underwriting strategy | Segment-wise premium; retention ratios; claim analysis |
| Head of Investment | Investment portfolio disclosures | Investment composition; investment income trends |

The financial reporting and accounting teams bear the detailed responsibility for the compilation of the financial data that forms the factual foundation of the integrated report. These teams are responsible for maintaining the accounting records, preparing the financial statements in accordance with International Financial Reporting Standards, and ensuring that all financial disclosures are accurate, complete, and properly presented. The preparation of the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows, and the detailed revenue accounts by segment Fire, Marine Cargo, Marine Hull, Motor, and Miscellaneous requires meticulous attention to detail and rigorous adherence to accounting standards. The accuracy of the key metrics presented in the integrated report NAV per share at BDT 78.95, EPS at BDT 8.42, gross premium at BDT 5,410 million depends entirely on the quality of this foundational work.

### Financial Reporting Team – Data Compilation Responsibilities

| Responsibility | Key Outputs | Key Metrics |
|---|---|---|
| **Financial Statement Preparation** | Statement of Financial Position | Total assets BDT 15,167 million; equity BDT 8,303 million |
| | Statement of Comprehensive Income | Gross premium BDT 5,410 million; net profit BDT 885 million |
| | Statement of Cash Flows | NOCFPS BDT 6.84; cash position BDT 3,597 million |
| | Revenue Accounts (Segment-Wise) | Fire premium BDT 3,326 million; Marine Cargo BDT 959 million |
| **Note Disclosures** | Investment portfolio | 61.4% government securities; total investments BDT 4,693 million |
| | Fixed assets schedule | Fixed assets BDT 3,435 million; Reliance Insurance Tower |
| | Reserves and surplus | NAV per share BDT 78.95; retained earnings BDT 2,352 million |

The risk management and underwriting teams contribute critical expertise to the integrated report by providing the data and analysis that underpin risk-related disclosures. These teams are responsible for assessing and managing the risks inherent in the insurance business, including underwriting risk, investment risk, liquidity risk, and operational risk. Their work informs the disclosure of retention ratios, which increased from 28.37 percent to 29.52 percent overall, and the Fire retention ratio, which increased from 14.76 percent to 17.35 percent. They also contribute to the analysis of the cargo village fire event, which resulted in a 120.84 percent increase in Fire claims incurred. The solvency analysis, which shows a solvency ratio of 3.03 percent 16.54 percent above the regulatory requirement reflects their assessment of the company's capacity to absorb losses.

The internal audit function provides independent assurance on the reliability of the financial and operational data presented in the integrated report. Through systematic testing of internal controls, verification of data accuracy, and assessment of compliance with policies and procedures, internal audit helps ensure that the information contained in the report is trustworthy. The internal audit team's work supports the external auditors' opinion and provides management with confidence in the integrity of the reported information.

The external auditors MABS & J Partners, Chartered Accountants bear the critical responsibility of providing independent assurance on the financial statements that form the foundation of the integrated report. Their audit opinion, expressed in accordance with International Standards on Auditing, confirms that the financial statements present a true and fair view of the company's financial position and performance. The audit of the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows, and revenue accounts provides the independent verification that underpins stakeholder confidence in the integrated report. The auditors' signature on the financial statements, dated February 26, 2026, attests to the completion of this audit and the expression of their opinion.

**External Auditors – Assurance Responsibilities**

## Statement of Financial Position

| Scope | Key Findings |
|---|---|
| Assets, liabilities, and equity as at December 31, 2025 | Total assets BDT 15,167 million; equity BDT 8,303 million |

## Statement of Comprehensive Income

| Scope | Key Findings |
|---|---|
| Revenue, expenses, and profit for the year 2025 | Gross premium BDT 5,410 million; Net profit BDT 885 million |

## Statement of Cash Flows

| Scope | Key Findings |
|---|---|
| Cash inflows and outflows for the year 2025 | NOCFPS BDT 6.84; Cash position BDT 3,597 million |

## Revenue Accounts

**Scope**

Segment-wise performance (Fire, Marine, Motor, Miscellaneous)

**Key Findings**

Fire premium BDT 3,326 million; Fire claims BDT 267 million

## Notes to Financial Statements

**Scope**

Detailed disclosures on investments, fixed assets, reserves

**Key Findings**

Investment composition; Fixed asset schedule; NAV calculation

## Audit Opinion

**Scope**

True and fair view

**Key Findings**

Unqualified opinion issued

The responsibility for the integrated report also extends to the various teams across the organization that contribute data, analysis, and insight. The underwriting department provides segment-wise premium and retention data. The claims department provides claim settlement statistics, including the improvement in the claim settlement ratio from 44.53 percent in 2023 to 78 percent in 2025. The investment department provides portfolio composition data, showing 61.4 percent in government securities and total investments of BDT 4,693 million. The human resources department provides employee-related information, including the number of employees (247) and key management compensation. The branch operations teams contribute data on the 21 branches nationwide that form the company's distribution network.

### Organizational Contribution to Integrated Report

| Department | Contribution | Key Data Provided |
|---|---|---|
| Underwriting | Segment premium and retention | Fire premium BDT 3,326 million; retention 17.35% |
| Claims | Claim settlement statistics | Claim settlement ratio 78%; Fire claims BDT 267 million |
| Investment | Portfolio composition and performance | Govt securities 61.4%; investment income BDT 770 million |
| Human Resources | Employee and management data | 247 employees; key management compensation |
| Branch Operations | Branch network information | 21 branches nationwide |
| Treasury | Cash and liquidity data | Cash position BDT 3,597 million; NOCFPS BDT 6.84 |
| Reinsurance | Reinsurance arrangements | Overall retention 29.52%; reinsurance premium ceded BDT 3,813 million |

The collective responsibility for the integrated report is formally acknowledged through the signatures and approvals that appear throughout the document. The Chairman of the Board signs the statement of financial position, attesting to the Board's approval. The Directors, Chief Executive Officer, and Chief Financial Officer also sign, confirming their respective responsibilities. The external auditors sign their audit opinion, providing independent assurance. The additional managing partner of MABS & J Partners signs, along with the engagement partner, confirming the firm's responsibility for the audit.

The responsibility for the integrated report also encompasses the ongoing process of continuous improvement. The integrated report for 2025 reflects lessons learned from previous years, with enhanced graphical presentations, more targeted stakeholder sections, and a clearer articulation of the connectivity between strategic decisions and financial outcomes. The three-year trends for NAV per share, EPS, and other key metrics provide a consistent basis for comparison, while the segment-wise data enables more detailed analysis of performance across business lines. The responsibility for this continuous improvement rests with all contributors, who seek to enhance the report's effectiveness as a communication tool each year.

# FUNDAMENTAL CONCEPTS

The integrated report of Reliance Insurance PLC is built upon three fundamental concepts that form the foundation of the International Integrated Reporting Framework: value creation, preservation, and erosion; the six capitals; and the business model. These concepts provide the conceptual framework within which the organization's performance and prospects are understood, enabling stakeholders to see not only what the company has achieved but how it has achieved it, what resources it has used, and how it is positioned for the future. For Reliance Insurance PLC, these fundamental concepts transform the integrated report from a historical financial document into a dynamic narrative of sustainable value creation.

### Purpose of the Integrated Report – Reliance Insurance PLC

The integrated report of Reliance Insurance PLC serves a purpose that extends far beyond mere regulatory compliance or the presentation of historical financial data. Its fundamental purpose is to provide stakeholders with a holistic, connected, and forward-looking understanding of how the organization creates, preserves, and erodes value over time. In an era where traditional financial statements, while essential, cannot capture the full complexity of organizational performance, the integrated report bridges the gap between financial outcomes and the strategic, operational, and contextual factors that produce them. For Reliance Insurance PLC, a first-generation private non-life insurer operating in Bangladesh's dynamic economic landscape, this purpose is particularly vital. The integrated report enables the company to communicate not only what it achieved financially in 2025 but how it achieved those results, what risks it navigated, what resources it deployed, and how it is positioned for sustainable long-term growth in alignment with its "Future Built" vision.

The primary purpose of the integrated report is to provide a complete and connected narrative of value creation. Traditional financial reporting, while authoritative and audited, presents information in discrete components a statement of financial position, a statement of comprehensive income, a statement of cash flows that stakeholders must synthesize on their own. The integrated report performs this synthesis, demonstrating the connections between these components and explaining how they fit together into a coherent whole. For Reliance Insurance PLC, this connectivity is powerfully illustrated by the relationship between the strategic decision to increase Fire retention, the external event of the cargo village fire, and the resulting financial outcomes. The integrated report connects these elements, enabling stakeholders to understand that the 7.68 percent decline in earnings per share was not a reflection of deteriorating operational performance but rather the intersection of a strategic choice and an extraordinary external event.

**Purpose – Connecting Strategy, Events, and Outcomes**

| Element | 2024 | 2025 | Connection Explained in Integrated Report |
|---|---|---|---|
| Fire Retention Ratio | 14.76% | 17.35% | Strategic decision to retain more risk |
| Fire Net Premium | BDT 455 million | BDT 577 million | Direct result of increased retention |
| Fire Claims Incurred | BDT 121 million | BDT 267 million | Cargo village fire event |
| EPS | BDT 9.12 | BDT 8.42 | Temporary erosion from event, not systemic decline |
| NAV Per Share | BDT 69.59 | BDT 78.95 | Underlying value creation continued |

The integrated report also serves the purpose of demonstrating accountability and stewardship. The Board of Directors, executive management, and all levels of the organization are accountable to stakeholders for the resources entrusted to them and the outcomes they produce. The integrated report provides the evidence of this stewardship, showing how the six capitals financial, manufactured, intellectual, human, social and relationship, and natural have been managed, deployed, and enhanced. The growth in shareholders' equity from BDT 7,030 million in 2023 to BDT 8,303 million in 2025 demonstrates accountability to shareholders. The improvement in the claim settlement ratio from 44.53 percent to 78 percent demonstrates accountability to policyholders. The maintenance of a solvency ratio of 3.03 percent 203 percent above the regulatory requirement demonstrates accountability to regulators. The 312 percent surge in net operating cash flow per share demonstrates accountability to financial institutions. The 24.43 percent growth in NAV per share over two years demonstrates accountability to all stakeholders who depend on the organization's long-term viability.

A further purpose of the integrated report is to enable informed decision-making by stakeholders. Each stakeholder group relies on the integrated report to make decisions that affect their relationship with the organization. Shareholders use the report to assess whether to hold, buy, or sell their shares, evaluating the NAV growth of 24.43 percent over two years and the 30 percent dividend maintained for three consecutive years. Potential investors use the report to evaluate the investment opportunity, noting the price-to-book ratio of 0.86x indicating that the company trades at a 27.6 percent discount to its NAV of BDT 78.95. Policyholders use the report to assess the security of their coverage, relying on the AAA credit rating and the improving claim settlement ratio. Regulators use the report to monitor solvency and compliance, verifying that the solvency ratio of 3.03 percent meets and substantially exceeds the 1.00 percent requirement. Financial institutions use the report to evaluate creditworthiness, noting the 312 percent surge in operating cash flow and the BDT 3,435 million in fixed assets that serve as collateral. Employees use the report to understand the organization's stability and growth prospects, seeing total assets grow by 36.86 percent over two years and the completion of the Reliance Insurance Tower as a tangible investment in their workplace.

**Purpose – Enabling Informed Decision-Making**

| Stakeholder | Decision | Information from Integrated Report | 2025 Data |
|---|---|---|---|
| Shareholders | Hold/Buy/Sell | NAV growth; dividend consistency | NAV: BDT 78.95; Dividend: 30% |
| Potential Investors | Invest/Not Invest | P/B ratio; growth trajectory | P/B: 0.86x; Premium growth: +38.65% |
| Policyholders | Renew/Not Renew | Claim settlement; AAA rating | Settlement: 78%; Rating: AAA |
| Regulators | Compliance assessment | Solvency; investment compliance | Solvency: 3.03%; Govt securities: 61.4% |
| Financial Institutions | Lend/Not Lend | Cash flow; collateral; liquidity | NOCFPS: BDT 6.84; Fixed assets: BDT 3,435M |
| Employees | Stay/Seek opportunities | Stability; growth; infrastructure | Asset growth: +36.86%; New headquarters |

The integrated report also serves the purpose of articulating the organization's strategy and future orientation. Stakeholders need to understand not only where the organization has been but where it is going. The integrated report communicates the "Future Built" vision that guides Reliance Insurance PLC, articulating the strategic priorities that will shape future value creation. The focus on Fire and Marine Cargo as growth engines, with Fire premium increasing 7.92 percent to BDT 3,326 million and Marine Cargo premium increasing 9.10 percent to BDT 959 million, signals the segments where the company will concentrate its resources. The strategic decision to increase Fire retention from 14.76 percent to 17.35 percent signals confidence in underwriting capabilities and a willingness to assume more risk for greater reward. The completion of the Reliance Insurance Tower, with fixed assets increasing 89.5 percent to BDT 3,435 million, signals a long-term commitment to operational infrastructure. The conservative investment strategy, with 61.4 percent of investments in government securities, signals a commitment to safety and stability.

**Purpose – Articulating Strategy and Future Orientation**

| Strategic Element | 2025 Achievement | Future Implication |
|---|---|---|
| Growth Focus | Fire: +7.92%; Marine Cargo: +9.10% | Continued focus on core segments |
| Risk Appetite | Fire retention increased to 17.35% | Greater risk assumption for higher returns |
| Infrastructure | Reliance Insurance Tower completed | Long-term operational capacity |
| Investment Strategy | 61.4% in government securities | Continued conservative approach |
| Capital Strength | NAV: BDT 78.95 (up 13.45%) | Foundation for future growth |
| Cash Generation | NOCFPS: BDT 6.84 (up 312%) | Liquidity for strategic investments |

Another essential purpose of the integrated report is to provide context for financial performance. The financial statements alone would show that earnings per share declined from BDT 9.12 in 2024 to BDT 8.42 in 2025 a 7.68 percent decrease that might cause concern. The integrated report provides the context that transforms this data point from a potential red flag into a comprehensible outcome. It explains that the company delivered strong operational performance in the first three quarters, with net income of BDT 238.92 million in Q1, BDT 327.74 million in Q2, and BDT 270.23 million in Q3. It then explains that the cargo village fire in October 2025 caused substantial claims that reduced Q4 net income to BDT 48.36 million. It further explains that the strategic decision to increase Fire retention from 14.76 percent to 17.35 percent, while beneficial for net premium growth, meant that a greater proportion of these claims were retained. With this context, stakeholders understand that the EPS decline was event-driven, not a reflection of underlying operational deterioration, and that the company's fundamental strength as evidenced by continued NAV growth remains intact.

The integrated report also serves the purpose of demonstrating resilience and sustainability. In an environment of uncertainty, stakeholders need to know that the organization can withstand shocks and continue to deliver value over the long term. The integrated report provides evidence of this resilience through multiple indicators. The solvency ratio of 3.03 percent 68 percent above the regulatory requirement demonstrates the capital buffer available to absorb unexpected losses. The strong cash position of BDT 3,597 million demonstrates the liquidity available to meet obligations without disruption. The AAA credit rating provides independent validation of the company's financial strength. The consistent NAV growth 24.43 percent over two years demonstrates that the company continues to build value even in the face of challenges. The ability to maintain the 30 percent dividend despite the Q4 profit decline demonstrates confidence in the sustainability of earnings.

The integrated report further serves the purpose of integrating financial and non-financial information. Value creation cannot be understood through financial data alone. The integrated report brings together financial metrics NAV, EPS, cash flow, solvency with non-financial information strategic decisions, risk management practices, stakeholder relationships, and operational capabilities. The decision to increase Fire retention from 14.76 percent to 17.35 percent is a strategic decision, not a financial metric, but its financial consequences are profound. The cargo village fire is an external event, not a financial outcome, but its impact on earnings is material. The AAA credit rating is an assessment, not a financial statement line item, but it reflects and influences financial strength. The improvement in claim settlement ratio from 44.53 percent to 78 percent is an operational metric, not a financial ratio, but it directly affects policyholder trust and business reputation. By integrating these diverse elements, the integrated report provides a complete picture that no single source of information could provide alone. The integrated report also serves the purpose of building trust and enhancing transparency.

### Value Creation for the Organization and for Others

The integrated report of Reliance Insurance PLC is fundamentally organized around the concept that value creation is not a zero-sum game but a dynamic process where the organization creates value for itself by creating value for others. This reciprocal relationship lies at the heart of the "Future Built" vision, recognizing that the long-term success of the organization depends on its ability to serve the legitimate needs of all stakeholder's shareholders, policyholders, regulators, financial institutions, and employees. The 2025 fiscal year provides compelling evidence of this interconnected value creation, demonstrating that when the organization delivers value to others, it simultaneously strengthens its own foundation for sustainable growth.

### Value Creation for the Organization

The organization creates value for itself through multiple mechanisms, all of which are reflected in the financial and operational metrics of 2025. The most direct measure of value creation for the organization is the growth in net asset value per share, which increased from BDT 66.85 in 2023 to BDT 78.95 in 2025 a cumulative increase of 24.43 percent. This growth represents the accumulation of capital that strengthens the organization's financial foundation and enables future investment. The 13.45 percent increase in NAV in 2025 alone, achieved despite the fourth-quarter profit decline, demonstrates that the organization continued to build its own value even while navigating extraordinary challenges.

**Value Creation for the Organization – NAV Growth**

| Financial Year | NAV Per Share (BDT) | Value Created |
|---|---|---|
| 2023 | 66.85 | — |
| 2024 | 69.59 | +6.14 BDT |
| 2025 | 78.95 | +9.36 BDT |

The organization also creates value for itself through premium growth, which expanded gross premium from BDT 3,902 million in 2023 to BDT 5,410 million in 2025—a cumulative increase of 38.65 percent. This growth expands the organization's market presence, diversifies its revenue base, and provides the scale necessary for operational efficiency. The strategic decision to increase Fire retention from 14.76 percent to 17.35 percent further enhanced value creation by converting a greater proportion of gross premium into net premium, which grew by 9.90 percent to BDT 1,597 million.

### Value Creation for Shareholders

Value creation for shareholders is the most direct expression of the organization's success. In 2025, shareholders received value through both capital appreciation and income returns. The capital appreciation is reflected in the NAV per share growth to BDT 78.95, representing a 13.45 percent increase in the book value of their investment over the course of the year. Over two years, this represents a 24.43 percent increase in capital value. The income return is reflected in the 30 percent cash dividend, maintained for three consecutive years, which provided shareholders with BDT 315 million in dividend payments.

**Value Creation for Shareholders**

| Value Element | 2023 | 2024 | 2025 | Shareholder Benefit |
|---|---|---|---|---|
| NAV Per Share (BDT) | 66.85 | 69.59 | 78.95 | Capital appreciation of +15.50 BDT |
| Cash Dividend (%) | 25 | 30 | 30 | Stable income of BDT 3.00 per share |
| Dividend Payout (BDT Million) | 263 | 315 | 315 | Total shareholder distribution |
| Return on Equity (%) | 17.18 | 23.04 | 19.17 | Increasing returns on invested capital |

The value created for shareholders is further demonstrated by the return on equity, which improved from 17.18 percent in 2023 to 19.17 percent in 2025. This increasing efficiency means that each taka of shareholder capital is generating higher returns over time. Even in a year marked by the Q4 profit decline, ROE continued to improve, demonstrating that the underlying profitability of the business remains strong.

### Value Creation for Policyholders

Value creation for policyholders is the fundamental purpose of an insurance organization. For Reliance Insurance PLC, policyholder value is created through financial security, reliable claim payment, and responsive service. The AAA credit rating from CRISL provides independent validation that the organization has the strongest capacity to meet its claim obligations—the most fundamental value that policyholders seek.

The improvement in the claim settlement ratio from 44.53 percent in 2023 to 78 percent in 2025 represents tangible value creation for policyholders. A higher settlement ratio means that a greater proportion of claims are being paid, reflecting both

the organization's financial capacity and its commitment to service quality. The strong cash position of BDT 3,597 million ensures that when claims arise, the organization has the immediate liquidity to make payments without delay.

Value for policyholders is also created through the organization's risk management practices. The conservative investment strategy, with 61.4 percent of investments in government securities, ensures that policyholder premiums are safeguarded in the safest available assets.

### Value Creation for Regulators

Value creation for regulators is achieved through compliance, transparency, and financial stability. Regulators seek assurance that the organization operates within the legal framework, maintains adequate solvency, and protects policyholder interests. Reliance Insurance PLC creates value for regulators by consistently exceeding regulatory requirements and providing transparent, timely, and accurate information.

**Value Creation for Regulators**

| Value Element | Regulatory Requirement | 2025 Actual | Value Created |
|---|---|---|---|
| Solvency Ratio | ≥ 1.00% | 3.03% | 203% buffer above requirement |
| Investment Compliance | Various limits | 61.4% government securities | Conservative, compliant portfolio |
| Reserve for Unexpired Risks | 40% Fire/Marine; 100% Hull | BDT 663 million | Fully compliant |
| Reserve for Exceptional Losses | 10% of net premium | BDT 160 million | Fully compliant |
| Financial Reporting | IFRS, IDRA guidelines | Full compliance | Transparent, accurate reporting |

The solvency ratio of 3.03 percent creates significant value for regulators by demonstrating that the organization is not merely meeting minimum requirements but is substantially over-capitalized, providing a wide margin of safety. The conservative investment portfolio, with 61.4 percent in government securities, creates value by ensuring that policyholder funds are invested in the safest available assets. The full compliance with financial reporting standards creates value by enabling effective regulatory oversight.

### Value Creation for Financial Institutions

Value creation for financial institutions is achieved through creditworthiness, liquidity, and collateral strength. Banks, reinsurers, and other financial institutions seek assurance that the organization can meet its obligations and is a reliable counterparty. Reliance Insurance PLC creates value for these institutions through its AAA credit rating, strong cash flow, substantial asset base, and high-quality collateral.

**Value Creation for Financial Institutions**

| Value Element | 2025 Indicator | Value Created for Financial Institutions |
|---|---|---|
| AAA Credit Rating | Highest rating | Lowest credit risk; confidence for lending |
| NOCFPS | BDT 6.84 (up 312%) | Strong cash flow for debt service |
| Cash Position | BDT 3,597 million | Immediate liquidity for obligations |
| Fixed Assets | BDT 3,435 million | High-quality collateral |
| Investment Portfolio | BDT 4,693 million (61.4% government) | Additional collateral with safety |

The 312 percent surge in operating cash flow per share creates significant value for financial institutions by demonstrating the organization's capacity to generate cash from operations—the primary source of debt service. The substantial fixed assets of BDT 3,435 million, including the recently completed Reliance Insurance Tower, provide high-quality collateral that supports lending relationships. The investment portfolio, with BDT 4,693 million in assets, provides additional collateral and demonstrates prudent financial management.

### Value Creation for Employees

Value creation for employees is achieved through organizational stability, growth opportunities, and a supportive work environment. Employees seek assurance that the organization is stable, growing, and invested in their future. Reliance Insurance PLC creates value for employees through its consistent growth trajectory, investment in infrastructure, and stable employment environment.

**Value Creation for Employees**

| Value Element | 2023 | 2024 | 2025 | Employee Benefit |
|---|---|---|---|---|
| Total Assets (BDT Million) | 12,528 | 13,934.12 | 15,167 | Growing, stable organization |
| Fixed Assets (BDT Million) | 1,822 | 1,813 | 3,435 | New headquarters; modern workplace |
| Employee Productivity (BDT Million) | 943.9 | 998.3 | 1,462.3 | Growing organization; career opportunities |
| NAV Per Share (BDT) | 66.85 | 69.59 | 78.95 | Financial stability; job security |

The completion of the Reliance Insurance Tower in 2025 creates tangible value for employees by providing a modern, purpose-built workplace. The growth in total assets from BDT 12,528 million in 2023 to BDT 15,167 million in 2025 an increase of 36.86 percent demonstrates organizational growth that supports career development and job security. The consistent NAV growth provides assurance of the organization's long-term stability, contributing to employee confidence and engagement.

### Reciprocal Nature of Value Creation

The integrated report reveals that value creation for the organization and for others is reciprocal and mutually reinforcing. When the organization creates value for policyholders through reliable claim payment, it strengthens its AAA credit rating, which creates value for shareholders through enhanced reputation and lower cost of capital. When the organization creates value for regulators through strong solvency, it creates value for policyholders through assurance of financial stability. When the organization creates value for financial institutions through strong cash flow, it creates value for the organization through access to credit and favorable terms. When the organization creates value for employees through investment in infrastructure and stability, it creates value for itself through enhanced productivity and reduced turnover.

**Reciprocity in Action – The Fire Retention Decision**

| Element | Outcome | Value Created |
|---|---|---|
| For Shareholders | Fire net premium increased 26.85% to BDT 577 million | Higher retained earnings; NAV growth |
| For Policyholders | Claims paid despite event; AAA rating maintained | Protection delivered; trust preserved |
| For Organization | NAV grew 13.45% to BDT 78.95 | Strengthened capital base |
| For Regulators | Solvency remained strong at 3.03% | Compliance maintained |
| For Financial Institutions | Cash flow surged 312% to BDT 6.84 | Creditworthiness enhanced |

### Capitals of an Integrated Report

The integrated report of Reliance Insurance PLC is fundamentally organized around the six capitals framework, which provides a comprehensive lens through which to understand how the organization creates, preserves, and erodes value. These six capitals—financial, manufactured, intellectual, human, social and relationship, and natural—represent the resources and relationships that the organization uses, transforms, and enhances through its business activities. The integrated report demonstrates that value is not created by financial capital alone but through the interconnected deployment of all six capitals, with the organization's "Future Built" vision reflecting a commitment to strengthening each capital over time.



## Financial Capital

Financial capital represents the funds available to the organization for investment and operations. For Reliance Insurance PLC, financial capital is the foundation upon which all other capitals are deployed and enhanced. The growth in financial capital over the demonstrates the organization's success in accumulating resources that support sustainable value creation.



## Manufactured Capital

Manufactured capital encompasses the physical infrastructure and assets that enable the organization to operate. For Reliance Insurance PLC, manufactured capital includes the Reliance Insurance Tower, the network of 21 branches across Bangladesh, office equipment, furniture and fixtures, and motor vehicles. The completion of the Reliance Insurance Tower in 2025 represents a transformative investment in manufactured capital.



## Intellectual Capital

Intellectual capital comprises the knowledge, systems, processes, and brand reputation that give the organization its competitive advantage. For Reliance Insurance PLC, intellectual capital is reflected in underwriting expertise, risk management systems, investment management capabilities, and the AAA credit rating that validates the organization's reputation.



## Human Capital

Human capital encompasses the people, skills, experience, and capabilities of the organization. For Reliance Insurance PLC, human capital includes the 247 employees who operate the 21 branches, manage underwriting and claims processes, and drive the organization's growth. The productivity and stability of this workforce are key indicators of human capital strength.



## Social and Relationship Capital

Social and relationship capital encompasses the relationships with stakeholders and the trust that enables the organization to operate effectively. For Reliance Insurance PLC, this capital is built through interactions with policyholders, shareholders, regulators, financial institutions, and the communities in which it operates.



## Natural Capital

Natural capital encompasses the environmental resources and risks that affect the organization. For Reliance Insurance PLC, natural capital is most directly relevant through the insurance of risks related to fire, marine cargo, motor, and miscellaneous perils. The organization's ability to assess, price, and manage risks related to natural capital is fundamental to its business model.

The capitals framework provides a comprehensive lens for understanding value creation at Reliance Insurance PLC. Financial capital has grown by 24.43 percent over two years, providing the foundation for investment and risk absorption. Manufactured capital has been transformed through the completion of the Reliance Insurance Tower, increasing fixed assets by 89.5 percent in 2025. Intellectual capital is validated by the AAA credit rating and demonstrated in the strategic decision to increase Fire retention. Human capital has shown remarkable productivity growth, with employee productivity increasing 54.9 percent since 2023. Social and relationship capital is reflected in improving claim settlement ratios and consistent dividend payments. Natural capital risks are managed effectively, as demonstrated by the organization's ability to absorb the cargo village fire event without compromising its financial strength.

Details of the capitals given in page no. 211 of Annual Report 2025.

### Process Through Which Value is Created, Preserved, or Eroded

The integrated report of Reliance Insurance PLC is fundamentally organized around the dynamic process through which value is created, preserved, or eroded over time. This process is not static but continuous, reflecting the interplay between strategic decisions, operational activities, external events, and the organization's capacity to absorb shocks and capitalize on opportunities. The 2025 fiscal year provides a compelling illustration of this dynamic process, demonstrating how value can be created through strategic growth, preserved through prudent risk management, and temporarily eroded by external events—while the underlying strength of the organization ensures that long-term value creation continues unabated.

#### Value Creation Process

Value creation at Reliance Insurance PLC is a continuous process that transforms inputs drawn from the six capitals through business activities into outputs and outcomes that benefit stakeholders. The process is driven by strategic decisions, operational excellence, and the effective deployment of resources.

**Value Creation – NAV Growth (2023–2025)**

| Financial Year | NAV Per Share (BDT) | Value Created |
|---|---|---|
| 2023 | 66.85 | — |
| 2024 | 69.59 | +6.14 BDT |
| 2025 | 78.95 | +9.36 BDT |
| **Cumulative** | **+15.50 BDT** | **+24.43%** |

Value is also created through premium growth, which expands the organization's market presence and revenue base. Gross premium increased from BDT 3,902 million in 2023 to BDT 5,410 million in 2025—a cumulative increase of 38.65 percent. This growth reflects the successful execution of the organization's strategy to focus on Fire and Marine Cargo as primary growth engines, with Fire premium increasing 7.92 percent to BDT 3,326 million and Marine Cargo premium increasing 9.10 percent to BDT 959 million.

**Value Creation – Premium Growth (2023–2025)**

| Financial Year | Gross Premium (BDT Million) | Value Created |
|---|---|---|
| 2023 | 3,902 | — |
| 2024 | 5,122 | +1,220 million |
| 2025 | 5,410 | +288 million |
| **Cumulative** | **+1,508 million** | **+38.65%** |

The strategic decision to increase Fire retention from 14.76 percent to 17.35 percent represents a deliberate choice to create additional value by retaining more risk. This decision increased Fire net premium by 26.85 percent to BDT 577 million, enhancing financial capital and demonstrating management's confidence in underwriting capabilities.

### Value Preservation Process

Value preservation at Reliance Insurance PLC is the process of protecting the value that has been created, ensuring that it is not lost through mismanagement, excessive risk-taking, or inadequate capital. The organization employs multiple mechanisms to preserve value, including conservative investment strategy, strong solvency management, and disciplined underwriting.

The conservative investment strategy is a primary mechanism for value preservation. With 61.4 percent of the investment portfolio held in government securities the safest available assets the organization protects policyholder funds and shareholder capital from market volatility. The investment portfolio of BDT 4,693 million is managed to prioritize safety and liquidity over higher-risk returns, preserving the value of the financial capital entrusted to the organization.

**Value Preservation – Conservative Investment Strategy**

| Investment Type | Amount (BDT Million) | Percentage | Preservation Mechanism |
|---|---|---|---|
| Government Treasury Bond | 2,880.64 | 61.4% | Highest quality assets; guaranteed by government |
| Listed Shares | 1,563.26 | 33.3% | Marketable; diversified |
| Mutual Funds | 247.16 | 5.3% | Professional management |
| Unlisted Shares | 1.57 | 0.0% | Minimal exposure |
| **Total** | **4,692.63** | **100%** | **Value preserved through safety-first approach** |

Strong solvency management is another critical value preservation mechanism. This buffer is the result of disciplined capital management, prudent retention decisions, and consistent profitability.

### Value Erosion Process

Value erosion at Reliance Insurance PLC occurs when external events, strategic decisions with unintended consequences, or operational failures reduce the value that has been created. The 2025 fiscal year includes a significant instance of value erosion the cargo village fire in October 2025 which temporarily reduced earnings and increased claims costs.

The cargo village fire at Dhaka's Hazrat Shahjalal International Airport in October 2025 represents the most significant value erosion event of the year. This external event caused Fire claims incurred to increase by 120.84 percent from BDT 120.98 million in 2024 to BDT 267.17 million in 2025. The impact on earnings was immediate and significant, with fourth quarter net income declining from BDT 270.23 million in Q3 to BDT 48.36 million in Q4.

**Value Erosion – Cargo Village Fire Impact**

| Metric | Before Event (Q3) | After Event (Q4) | Erosion |
|---|---|---|---|
| Net Income (BDT Million) | 270.23 | 48.36 | -82.40% |
| Fire Claims Incurred (BDT Million) | 66.8 (Q1–Q3 avg) | 267.17 (full year) | +120.84% |
| EPS (BDT) | 9.12 (2024) | 8.42 (2025) | -7.68% |

The value erosion from the cargo village fire also affected the combined ratio, which increased from 76.18 percent in 2024 to 82.48 percent in 2025 an erosion of underwriting efficiency. While the combined ratio remains well below 100 percent, indicating continued profitability, the increase represents a reduction in the value created from underwriting activities.

### Dynamic Process: Creation, Preservation, and Erosion in Balance

The integrated report reveals that value creation, preservation, and erosion are not separate processes but a single dynamic system. The strategic decisions that create value also create risk; the mechanisms that preserve value also limit upside potential; the events that erode value also reveal strengths that enable future value creation.

**Dynamic Process – Fire Retention Decision**

| Phase | Element | Value Impact |
|---|---|---|
| Creation | Decision to increase Fire retention from 14.76% to 17.35% | Fire net premium increased 26.85% to BDT 577 million |
| Erosion | Cargo village fire event | Fire claims incurred increased 120.84% to BDT 267 million |
| Preservation | Strong capital base (NAV BDT 78.95; solvency 3.03%) | Claims paid without threatening stability |
| Outcome | NAV continued growth; AAA rating maintained | Value creation continues despite erosion |

The fire retention decision illustrates how creation and erosion are connected. The decision created value through higher net premium but also increased exposure to erosion from fire events. When the cargo village fire occurred, erosion followed. However, the strong capital base built through years of value preservation enabled the organization to absorb the erosion without long-term damage. NAV continued to grow, the AAA rating was maintained, and the organization emerged with its fundamental strength intact.

The 312 percent surge in net operating cash flow per share to BDT 6.84 demonstrates the organization's capacity to create value through operational efficiency, even as erosion occurred from the fire event. This cash flow strength provides the liquidity to pay claims, fund operations, and invest in future growth preserving value even in the face of erosion.

### Role of Capitals in the Value Process

The six capitals are both the inputs to and the outcomes of the value creation, preservation, and erosion process. Financial capital is created through profitable operations and preserved through prudent management; it is eroded when losses occur. Manufactured capital is created through investment in infrastructure and preserved through maintenance; it is eroded through depreciation or damage. Intellectual capital is created through learning and innovation; it is preserved through documentation and training; it is eroded when expertise is lost. Human capital is created through hiring and development; it is preserved through retention and engagement; it is eroded through turnover. Social and relationship capital is created through trust and service; it is preserved through consistent performance; it is eroded through failures or scandals. Natural capital is preserved through risk management; it is eroded when environmental events cause losses.

**Capitals in the Value Process – 2025**

| Capital | Creation | Preservation | Erosion |
|---|---|---|---|
| Financial | NAV growth 24.43% | Solvency 3.03% | EPS decline 7.68% |
| Manufactured | Fixed assets +89.5% | New headquarters | Normal depreciation |
| Intellectual | AAA rating maintained | Underwriting systems | Event-driven losses |
| Human | Productivity +54.9% | Stable workforce | — |
| Social | Claim settlement 78% | Dividend consistency | — |
| Natural | Risk management | — | Fire claims +120.84% |

# GUIDING PRINCIPLES

The integrated report of Reliance Insurance PLC is built upon the seven guiding principles of the International Integrated Reporting Framework, which collectively ensure that the report provides stakeholders with a cohesive, connected, and trustworthy account of how the organization creates, preserves, and erodes value. These principles strategic focus and future orientation, connectivity of information, stakeholder relationships, materiality, conciseness, reliability and completeness, and consistency and comparability are applied systematically throughout the report to transform complex financial and non-financial data into a clear, understandable, and decision-useful narrative. The 2025 fiscal year provides a compelling demonstration of how these principles work in practice, enabling stakeholders to understand the company's performance, strategy, and prospects.

### Strategic Focus and Future Orientation

The strategic focus and future orientation principle lies at the heart of the integrated report for Reliance Insurance PLC, requiring the organization to provide stakeholders with a clear understanding of its strategy, how that strategy relates to value creation, and how the organization is positioned for the short, medium, and long term. For Reliance Insurance PLC, this principle is operationalized through a coherent narrative that connects strategic decisions—focusing on Fire and Marine Cargo as growth engines, increasing risk retention, and investing in infrastructure—to tangible outcomes that demonstrate sustained value creation. The 2025 fiscal year provides compelling evidence that the organization's "Future Built" vision is not merely aspirational but is being realized through consistent execution of a well-defined strategy.

### Strategic Growth Drivers

The organization's strategic focus is clearly articulated through its emphasis on Fire and Marine Cargo as the primary growth engines. These segments represent areas where Reliance Insurance possesses underwriting expertise, established market presence, and competitive advantage. The results of this strategic focus are evident in the premium growth trends.

**Strategic Growth Drivers – Segment Performance (2024–2025)**

| Segment | 2024 (BDT Million) | 2025 (BDT Million) | Growth | Contribution to Total Growth |
|---|---|---|---|---|
| Fire | 3,081.89 | 3,326.06 | +7.92% | 84.7% |
| Marine Cargo | 879.06 | 959.04 | +9.10% | 27.4% |
| Marine Hull | 229.53 | 223.07 | -2.81% | -2.2% |
| Motor | 132.17 | 123.36 | -6.66% | -3.0% |
| Miscellaneous | 799.38 | 778.85 | -2.57% | -7.1% |
| **Total** | **5,122.02** | **5,410.38** | **+5.63%** | **100%** |

Fire and Marine Cargo together contributed 112.1 percent of the total premium growth, more than offsetting declines in other segments. This concentration of growth in the organization's core competencies reflects a deliberate strategic choice to allocate resources where they generate the highest returns. Fire insurance, accounting for 61.5 percent of gross premium, represents the organization's foundational strength, while Marine Cargo leverages Bangladesh's position as a major trading nation.

### Strategic Risk Appetite

A key element of the organization's strategic focus is its deliberate management of risk appetite, particularly through retention decisions. The decision to increase Fire retention from 14.76 percent in 2024 to 17.35 percent in 2025 represents a strategic choice to assume greater risk in exchange for higher net premium growth.

The strategic increase in Fire retention reflects management's confidence in underwriting capabilities and its commitment to converting a greater proportion of gross premium into net premium. This decision directly contributed to Fire net premium increasing by 26.85 percent to BDT 577 million, enhancing financial capital. The strategic rationale was tested by the cargo village fire in October 2025, which resulted in a 120.84 percent increase in Fire claims incurred. The organization's strong

capital base NAV of BDT 78.95 and solvency ratio of 3.03 percent enabled it to absorb this shock, validating the strategic decision.

### Strategic Infrastructure Investment

The organization's future orientation is powerfully demonstrated by its investment in infrastructure, particularly the completion of the Reliance Insurance Tower in 2025. This represents a strategic commitment to long-term operational capacity that will serve the organization for decades.

The 89.5 percent increase in fixed assets in 2025 represents the most significant investment in manufactured capital in the organization's history. The Reliance Insurance Tower now serves as the corporate headquarters, providing a modern workplace that supports operational efficiency and employee satisfaction. Beyond its operational value, this investment also generates rental income six floors have been leased BDT 28.26 million to investment income in 2025 transforming manufactured capital into a source of financial capital.

### Strategic Capital Management

The organization's strategic focus on long-term value creation is most directly measured by the consistent growth in net asset value per share. This metric reflects the cumulative result of retained earnings, prudent asset valuation, and effective capital management.

**Strategic Capital Management – NAV Growth (2023–2025)**

| Financial Year | NAV Per Share (BDT) | Year-on-Year Growth | Cumulative Growth |
|---|---|---|---|
| 2023 | 66.85 | — | — |
| 2024 | 69.59 | +9.68% | +9.68% |
| 2025 | 78.95 | +13.45% | +24.43% |

The consistent upward trajectory of NAV 24.43 percent growth over two years—demonstrates that the organization's strategic focus is delivering sustained value creation. This growth occurred despite the temporary earnings decline in 2025, illustrating the distinction between short-term profitability and long-term value accumulation. The ability to grow NAV while absorbing the Q4 fire event reflects the strength of the organization's capital management strategy.

### Strategic Diversification of Income

The organization's future orientation includes a deliberate strategy to diversify income sources, reducing reliance on underwriting profitability alone. The growth in investment income reflects the successful execution of this strategy.

**Strategic Diversification – Investment Income Growth (2023–2025)**

| Financial Year | Investment & Other Income (BDT Million) | Year-on-Year Growth |
|---|---|---|
| 2023 | 318.96 | — |
| 2024 | 614.16 | +92.6% |
| 2025 | 770.01 | +25.4% |
| Cumulative | +451.05 | +141.4% |

Investment income has grown by 141.4 percent over two years, reaching BDT 770 million in 2025. This income stream now represents 87.0 percent of net profit after tax, providing substantial diversification away from underwriting profitability. The conservative investment strategy—with 61.4 percent of the portfolio in government securities—ensures that this income is both stable and secure.

### Strategic Consistency and Reliability

The organization's strategic focus is reinforced by its consistent performance across multiple dimensions, demonstrating that success is not a one-time event but the result of sustained execution. The dividend policy exemplifies this consistency.

**Strategic Consistency – Dividend Trend (2021–2025)**

| Financial Year | Cash Dividend (%) | Strategic Message |
|---|---|---|
| 2021 | 25 | Building momentum |
| 2022 | 25 | Increasing returns |
| 2023 | 25 | Achieving target |
| 2024 | 30 | Maintaining consistency |
| 2025 | 30 | Confidence despite challenges |

The maintenance of the 30 percent dividend for three consecutive years, including the challenging 2025, signals management's confidence in the underlying strength of the business. This consistency provides shareholders with predictable income and demonstrates the organization's commitment to returning value even in years marked by extraordinary events.

## CONNECTIVITY OF INFORMATION

The connectivity of information principle is one of the most powerful and distinctive elements of the integrated reporting framework, requiring the organization to demonstrate the interrelationships between the various factors that affect its ability to create value over time. For Reliance Insurance PLC, connectivity is not merely about presenting data but about weaving a coherent narrative that links strategic decisions, operational activities, external events, and financial outcomes. The 2025 fiscal year provides an exceptionally clear illustration of this connectivity, as the integrated report demonstrates how a strategic decision to increase Fire retention, an external event in the form of the cargo village fire, and the organization's underlying financial strength combined to produce the year's results.

### The Core Connection: Strategy, Event, and Outcome

The most powerful demonstration of connectivity in the integrated report is the relationship between the strategic decision to increase Fire retention, the cargo village fire event, and the resulting financial outcomes. This connection enables stakeholders to understand that the 7.68 percent decline in earnings per share was not a reflection of deteriorating operational performance but rather the intersection of a deliberate strategic choice and an extraordinary external event.

**The Core Connection – Strategy, Event, and Outcome**

| Connected Element | 2024 | 2025 | Connection |
|---|---|---|---|
| Fire Retention Ratio | 14.76% | 17.35% | Strategic decision to retain more risk |
| Fire Net Premium | BDT 455 million | BDT 577 million | Direct result of increased retention (+26.85%) |
| Q4 Net Income | BDT 229.98 million | BDT 48.36 million | Event-driven decline (-82.40%) |
| NAV Per Share | BDT 69.59 | BDT 78.95 | Underlying value continued to grow (+13.45%) |
| EPS | BDT 9.12 | BDT 8.42 | Temporary erosion (-7.68%) |

This single connectivity chain transforms isolated data points into a coherent narrative. Stakeholders can see that the strategic decision to increase retention—a choice made to enhance net premium growth created the context in which the fire event had a greater impact. However, they also see that the organization's underlying strength, reflected in continued NAV growth, enabled it to absorb the shock without compromising long-term value.

### Connectivity Between Strategic Decisions and Financial Outcomes

The integrated report demonstrates how strategic decisions across multiple dimensions connect directly to financial outcomes. The decision to focus on Fire and Marine Cargo as growth drivers, the decision to increase retention, and the decision to invest in infrastructure all have measurable financial consequences.

### Connectivity Between External Events and Financial Impact

The integrated report explicitly connects external events particularly the cargo village fire to their financial impact, enabling stakeholders to understand the cause of the year's challenges.

**Connectivity – External Events to Financial Impact**

| External Event | Timing | Direct Financial Impact | Secondary Impact |
|---|---|---|---|
| Cargo Village Fire | October 2025 | Fire claims incurred +120.84% to BDT 267 million | Q4 net income -82.40% to BDT 48.36 million |
| | | Gross loss ratio 6.71% → 12.41% | Combined ratio 76.18% → 82.48% |
| | | Net loss ratio 20.62% → 22.21% | EPS 9.12 → 8.42 (-7.68%) |

The connectivity is further enhanced by explaining the mechanism through which the event impacted the organization: the strategic decision to increase Fire retention meant that a greater proportion of the claims were retained, amplifying the impact on net income.

### Connectivity Between Financial Metrics

The integrated report demonstrates the interrelationships between different financial metrics, showing how changes in one area affect others. The relationship between NAV and EPS is particularly significant.

**Connectivity – NAV and EPS (2023–2025)**

| Financial Year | NAV Per Share (BDT) | EPS (BDT) | Connection |
|---|---|---|---|
| 2023 | 66.85 | 6.56 | Foundation year |
| 2024 | 69.59 | 9.12 | Peak earnings; NAV growth |
| 2025 | 78.95 | 8.42 | NAV continues growth despite EPS decline |

The connectivity between these two metrics reveals a crucial insight: short-term earnings volatility does not necessarily correlate with long-term value erosion. While EPS declined, NAV continued to grow demonstrating that the organization's fundamental value creation remained intact. This connection is essential for stakeholders to understand the true health of the organization.

### Connectivity Between Operational Performance and Cash Flow

The integrated report connects operational performance particularly underwriting and premium collection to cash flow generation, demonstrating how operational efficiency translates into financial strength.

**Connectivity – Operational Performance to Cash Flow**

| Operational Element | 2024 | 2025 | Connection |
|---|---|---|---|
| Gross Premium | BDT 5,122 million | BDT 5,410 million | Increased business volume |
| Premium Collection Efficiency | — | Improved | Enhanced collection processes |
| Net Operating Cash Flow Per Share | BDT 1.66 | BDT 6.84 | Direct result (+312%) |

The 312 percent surge in net operating cash flow per share is directly connected to improved premium collection efficiency and the organization's ability to convert written premiums into collected cash. This connectivity demonstrates that operational excellence translates directly into financial strength.

## Stakeholder Relationships

The stakeholder relationships principle of the integrated reporting framework requires the organization to provide insight into how it understands, responds to, and creates value for its key stakeholders. For Reliance Insurance PLC, stakeholder relationships are not merely a matter of communication but a fundamental driver of value creation. The organization recognizes that its long-term success depends on its ability to serve the legitimate needs of all stakeholders—shareholders, policyholders, regulators, financial institutions, and employees—and that value created for one stakeholder group often reinforces value for others. The 2025 fiscal year provides compelling evidence of this interconnected value creation, as the organization delivered meaningful outcomes across all stakeholder groups even while navigating the extraordinary challenge of the cargo village fire.

### Overview of Stakeholder Relationships

The integrated report demonstrates that Reliance Insurance PLC maintains relationships with five primary stakeholder groups, each with distinct needs and expectations. The organization's ability to balance these sometimes-competing needs is a testament to its strategic focus and operational excellence.

**Stakeholder Groups and Their Primary Needs**

| Stakeholder Group | Primary Need | How Value is Measured | 2025 Achievement |
|---|---|---|---|
| Shareholders | Long-term value creation and returns | NAV growth; dividend consistency | NAV +13.45%; 30% dividend maintained |
| Policyholders | Claim-paying ability and service quality | AAA rating; claim settlement ratio | AAA maintained; settlement 78% |
| Regulators | Solvency and regulatory compliance | Solvency ratio; investment compliance | 3.03% (16.53% above requirement) |
| Financial Institutions | Creditworthiness and repayment capacity | Cash flow; collateral strength | NOCFPS +312%; fixed assets BDT 3,435M |
| Employees | Stability, growth, and workplace quality | Asset growth; infrastructure investment | Assets +36.86%; new headquarters |

### Shareholders: Value Through Capital Appreciation and Income

Shareholders are the owners of the organization, and their primary needs are long-term value creation and consistent returns. The integrated report demonstrates how Reliance Insurance PLC creates value for shareholders through both capital appreciation and income distribution.

**Value Creation for Shareholders (2023–2025)**

| Value Element | 2023 | 2024 | 2025 | Shareholder Benefit |
|---|---|---|---|---|
| NAV Per Share (BDT) | 66.85 | 69.59 | 78.95 | Capital appreciation of +15.50 BDT |
| Cash Dividend (%) | 25 | 30 | 30 | Stable income of BDT 3.00 per share |
| Dividend Payout (BDT Million) | 263 | 315 | 315 | Total distribution BDT 945 million over three years |
| Return on Equity (%) | 15.26 | 17.18 | 19.17 | Increasing returns on invested capital |

The consistent upward trajectory of NAV per share—24.43 percent growth over two years—demonstrates that shareholders' capital is being effectively deployed and enhanced. The maintenance of the 30 percent cash dividend for three consecutive years, including the challenging 2025, signals management's confidence in the underlying strength of the business and provides shareholders with reliable income. The improvement in return on equity from 15.26 percent to 19.17 percent demonstrates that each taka of shareholder capital is generating higher returns over time.

The integrated report also addresses shareholders' need for transparency and accountability. The detailed segment-wise performance data enables shareholders to assess the contribution of each business line, while the discussion of the Q4 fire event provides context for understanding the temporary earnings decline.

### Policyholders: Value Through Claim Security and Service Quality

Policyholders are the foundation of the insurance business, and their primary needs are claim-paying ability and responsive service. The integrated report demonstrates how Reliance Insurance PLC creates value for policyholders through financial strength, operational excellence, and a commitment to service.

**Value Creation for Policyholders (2024–2025)**

| Value Element | 2024 | 2025 | Policyholder Benefit |
|---|---|---|---|
| AAA Credit Rating | AAA | AAA | Highest claim-paying ability |
| Claim Settlement Ratio (%) | 48.20 | 78 | Improving likelihood of claim payment |
| Cash Position (BDT Million) | 3,616 | 3,597 | Immediate funds for claim payments |
| Branch Network | 32 | 21 | Local presence and accessibility |

The AAA credit rating is the most powerful indicator of value for policyholders, representing independent validation of the organization's capacity to meet its claim obligations. The improving claim settlement ratio—from 44.53 percent to 78 percent—demonstrates that the organization is not only financially capable of paying claims but is also committed to timely settlement. The strong cash position of BDT 3,597 million ensures that when claims arise, the organization has the immediate liquidity to make payments without delay.

### Regulators: Value Through Solvency and Compliance

Regulators including IDRA, BSEC, and the FRC are responsible for overseeing the insurance industry and protecting policyholder interests. Their primary needs are solvency, compliance, and transparency. The integrated report demonstrates how Reliance Insurance PLC creates value for regulators by exceeding requirements and providing complete, accurate information.

**Value Creation for Regulators (2023–2025)**

| Value Element | Regulatory Requirement | 2025 Actual | Value Created |
|---|---|---|---|
| Government Securities | ≥ 7.5% of assets | 61.4% | Substantial safety buffer |
| Reserve for Unexpired Risks | 40% Fire/Marine; 100% Hull | BDT 663 million | Fully compliant |
| Reserve for Exceptional Losses | 10% of net premium | BDT 160 million | Fully compliant |
| Financial Reporting | IFRS, IDRA guidelines | Full compliance | Transparent, accurate reporting |

The conservative investment portfolio, with 61.4 percent in government securities, exceeds the minimum requirement by a substantial margin, ensuring that policyholder funds are invested in the safest available assets.

The integrated report also creates value for regulators through its transparency and completeness. The full disclosure of financial statements, segment-wise revenue accounts, and detailed notes enables effective regulatory oversight. The discussion of the cargo village fire and its impact demonstrates the organization's commitment to transparent communication, even when the news is challenging.

### Financial Institutions: Value Through Creditworthiness and Collateral

Financial institutions—including banks, reinsurers, and rating agencies—are essential partners in the organization's operations. Their primary needs are creditworthiness, liquidity, and collateral strength. The integrated report demonstrates how Reliance Insurance PLC creates value for these institutions through its financial strength and operational excellence.

**Value Creation for Financial Institutions (2023–2025)**

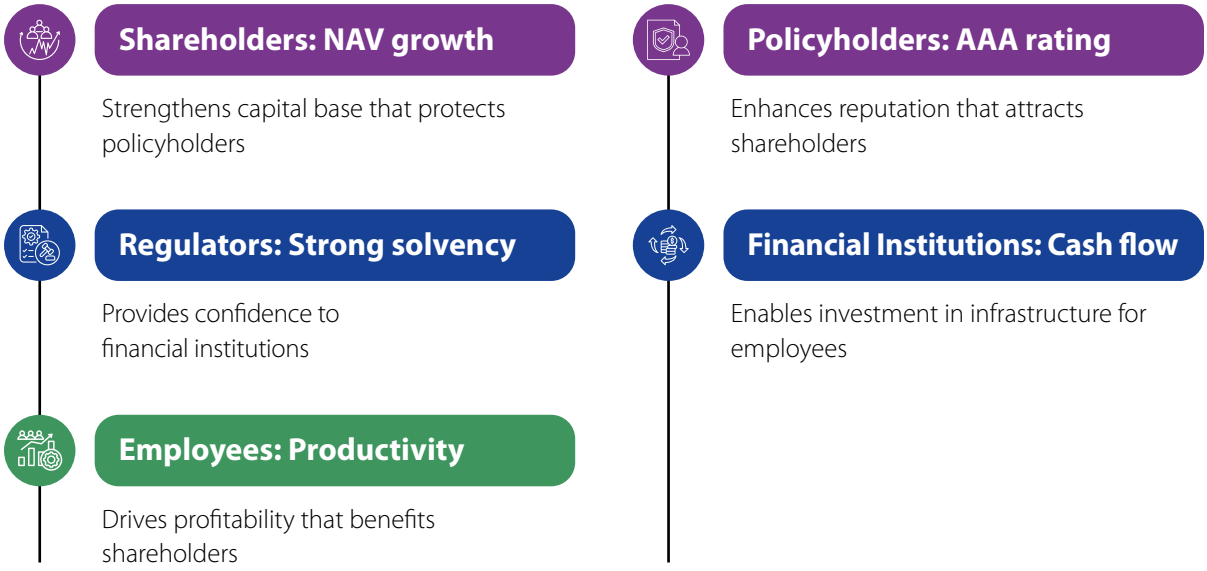
| Value Element | 2023 | 2024 | 2025 | Value Created |
|---|---|---|---|---|
| AAA Credit Rating | AAA | AAA | AAA | Lowest credit risk |
| NOCFPS (BDT) | 4.84 | 1.66 | 6.84 | Strong cash flow for debt service |
| Cash Position (BDT Million) | 4,126 | 3,616 | 3,597 | Immediate liquidity |
| Fixed Assets (BDT Million) | 1,822 | 1,813 | 3,435 | High-quality collateral |
| Investment Portfolio (BDT Million) | 3,202 | 3,605 | 4,693 | Additional collateral |

The AAA credit rating provides financial institutions with the highest level of confidence in the organization's creditworthiness. The 312 percent surge in net operating cash flow per share to BDT 6.84 demonstrates exceptional cash generation capacity, ensuring the ability to service any debt obligations. The substantial fixed assets of BDT 3,435 million including the recently completed Reliance Insurance Tower provide high-quality collateral that supports lending relationships. The investment portfolio of BDT 4,693 million, with 61.4 percent in government securities, provides additional collateral and demonstrates prudent financial management.

### Interconnectedness of Stakeholder Value

The integrated report demonstrates that value creation for different stakeholder groups is interconnected and mutually reinforcing. Value created for one group often supports value for others.

**Interconnectedness of Stakeholder Value**



The cargo village fire provides a powerful example of this interconnectedness. The organization's strong capital base—built through years of value creation for shareholders—enabled it to pay claims to policyholders, maintaining the AAA rating that satisfies regulators and provides confidence to financial institutions. The employees who processed those claims demonstrated the productivity that drives profitability, which in turn supports continued value creation for shareholders.

## Materiality in the Integrated Report

The materiality principle is one of the most critical elements of the integrated reporting framework, requiring the organization to focus on matters that substantively affect its ability to create value over the short, medium, and long term. For Reliance Insurance PLC, materiality is not a static concept but a dynamic process of identifying, assessing, and prioritizing the issues that truly matter to stakeholders and to the organization's long-term success. The integrated report demonstrates that materiality is applied through a disciplined focus on eight key value drivers that collectively determine the organization's capacity to create, preserve, and erode value. The 2025 fiscal year validates the materiality assessment, as each of these material matters proved decisive in the organization's performance and resilience.

### Materiality Assessment Process

The integrated report is built upon a rigorous materiality assessment that identifies the issues most likely to affect the organization's ability to create value. This assessment considers both the impact on the organization and the importance to stakeholders, ensuring that the report focuses on matters that are truly material.

### Material Matter: Capital Strength

Capital strength is material because it determines the organization's ability to absorb losses, pursue growth opportunities, and deliver long-term value to shareholders. The primary indicator of capital strength is net asset value per share.

**Material Matter – Capital Strength (2023–2025)**

| Financial Year | NAV Per Share (BDT) | Year-on-Year Growth | Cumulative Growth |
|---|---|---|---|
| 2023 | 66.85 | — | — |
| 2024 | 69.59 | +9.68% | +9.68% |
| 2025 | 78.95 | +13.45% | +24.43% |

The consistent growth in NAV—24.43 percent over two years—demonstrates that capital strength is being built year after year. This growth occurred despite the temporary earnings decline in 2025, illustrating that capital strength is a measure of long-term value creation that transcends short-term volatility. For shareholders, this represents growing value; for policyholders, it represents increasing security; for regulators, it represents strengthening solvency.

### Material Matter: Claim-Paying Ability

Claim-paying ability is material because it is the fundamental promise of an insurance organization. If policyholders cannot trust that claims will be paid, the organization cannot exist. The primary indicators are the AAA credit rating and the claim settlement ratio.

**Material Matter – Claim-Paying Ability (2023–2025)**

| Indicator | 2023 | 2024 | 2025 | Significance |
|---|---|---|---|---|
| AAA Credit Rating | AAA | AAA | AAA | Highest claim-paying ability |
| Claim Settlement Ratio (%) | 44.53 | 48.20 | 78 | Improving service delivery |
| Cash Position (BDT Million) | 4,126 | 3,616 | 3,597 | Immediate payment capacity |

The maintenance of the AAA rating throughout the 2025 challenges demonstrates that the organization's claim-paying ability is resilient even in the face of extraordinary events. The improving claim settlement ratio—from 44.53 percent to 78 percent reflects the organization's commitment to service excellence. The strong cash position ensures that claims can be paid promptly, without delay.

### Material Matter: Profitability

Profitability is material because it determines the organization's capacity to generate returns for shareholders, reinvest in growth, and build capital. The primary indicator is return on equity, which measures profitability relative to shareholder capital.

**Material Matter – Profitability (2023–2025)**

| Financial Year | Return on Equity (%) | Net Profit After Tax (BDT Million) |
|---|---|---|
| 2023 | 15.26 | 690 |
| 2024 | 17.18 | 959 |
| 2025 | 19.17 | 885 |

Despite the temporary decline in net profit after tax in 2025, return on equity continued to improve, reaching 19.17 percent. This demonstrates that the organization is generating increasing returns from shareholder capital, even in challenging years. The improvement in ROE from 15.26 percent to 19.17 percent over three years reflects effective capital deployment and operational efficiency.

### Material Matter: Cash Generation

Cash generation is material because it represents the actual cash produced by operations, which is essential for meeting obligations, funding growth, and building liquidity. The primary indicator is net operating cash flow per share.

**Material Matter – Cash Generation (2023–2025)**

| Financial Year | NOCFPS (BDT) | Year-on-Year Change |
|---|---|---|
| 2023 | 4.84 | — |
| 2024 | 1.66 | -65.7% |
| 2025 | 6.84 | +312% |

The 312 percent surge in net operating cash flow per share to BDT 6.84 is one of the most significant material developments of 2025. This exceptional cash generation demonstrates that the organization's core operations are producing substantial liquidity, providing the resources to pay claims, fund operations, and invest in future growth. The recovery from the 2024 decline reflects improved premium collection efficiency and working capital management.

### Material Matter: Risk Retention

Risk retention is material because it determines the organization's exposure to underwriting losses and its ability to convert gross premium into net premium. The primary indicator is the retention ratio, with particular focus on the Fire segment given its strategic importance.

### Material Matter: Asset Quality

Asset quality is material because it determines the safety, liquidity, and income potential of the investment portfolio. The primary indicator is the composition of investments, particularly the proportion held in government securities.

**Material Matter – Claim-Paying Ability (2023–2025)**

| Investment Type | Amount (BDT Million) | Percentage | Risk Level |
|---|---|---|---|
| Government Treasury Bond | 2,880.64 | 61.4% | Lowest |
| Listed Shares | 1,563.26 | 33.3% | Moderate |
| Mutual Funds | 247.16 | 5.3% | Moderate |
| Unlisted Shares | 1.57 | 0.0% | Highest |
| **Total** | **4,692.63** | **100%** | **Conservative** |

## Conciseness in the Integrated Report of Reliance Insurance PLC

The principle of conciseness requires the integrated report to present information in a clear, understandable, and efficient manner, enabling stakeholders to grasp the organization's performance, position, and prospects without wading through excessive detail or redundant information. For Reliance Insurance PLC, conciseness is not about omitting important information but about presenting it in a way that maximizes clarity and minimizes complexity. The integrated report achieves conciseness through the strategic use of graphical trends, summary tables, focused materiality, clear section headings, and the elimination of redundant disclosures. The result is a report that respects stakeholders' time while providing the complete information necessary for informed decision-making. The 2025 fiscal year demonstrates the power of conciseness: a single, well-designed graph captures the complete story of the organization's resilience, showing long-term value creation continuing even through short-term earnings volatility.

The most powerful example of conciseness in the integrated report is a single graph that combines net asset value per share and earnings per share over a three-year period. This single visual element replaces pages of narrative explanation, enabling stakeholders to understand the organization's trajectory in seconds rather than minutes.

**Conciseness – The Complete Story in One View (2023–2025)**

| Financial Year | NAV Per Share (BDT) | EPS (BDT) |
|---|---|---|
| 2023 | 66.85 | 6.56 |
| 2024 | 69.59 | 9.12 |
| 2025 | 78.95 | 8.42 |

## Key Metrics

### NAV Growth (2023–2025)

**+24.43%**

### EPS Peak (2024)

**9.12 BDT**

### EPS Decline (2025)

**-7.68%**

### The Story

**NAV rises consistently; EPS temporarily declines**

What makes this graph truly concise is its ability to communicate multiple layers of information simultaneously. The upward-sloping line of net asset value per share tells stakeholders that the organization's long-term capital strength has grown consistently from BDT 66.85 to BDT 69.59 to BDT 78.95 a cumulative increase of 24.43 percent. This uninterrupted upward trend demonstrates that regardless of annual profit fluctuations, the underlying value of the organization is being built year after year. The earnings per share line adds the necessary context without cluttering the visual. It shows strong growth from BDT 6.56 to a peak of BDT 9.12 in 2024, followed by a decline to BDT 8.42 in 2025. The visual juxtaposition of the two lines one rising steadily, the other declining temporarily instantly communicates the crucial distinction that short-term earnings volatility does not equate to long-term value erosion. For shareholders, this single graph answers the essential question: Is my investment growing? The NAV line provides the answer with clarity: yes, consistently. For policyholders, the graph demonstrates that despite the temporary earnings decline, the organization's capital base the ultimate source of claim-paying ability continued to strengthen.

The integrated report achieves conciseness through the strategic use of summary tables that consolidate complex data into digestible formats. Rather than presenting raw financial statements with hundreds of line items, the report extracts the key metrics that truly matter to stakeholders.

**Conciseness – Materiality Dashboard (2025)**

| Material Matter | Key Indicator | 2025 Value |
|---|---|---|
| Capital Strength | NAV Per Share (BDT) | 78.95 |
| Claim-Paying Ability | AAA Rating | AAA |
| Liquidity | Cash Position (BDT Million) | 3,597 |
| Profitability | Return on Equity (%) | 19.17 |
| Cash Generation | NOCFPS (BDT) | 6.84 |
| Risk Retention | Fire Retention (%) | 17.35 |
| Asset Quality | Government Securities (%) | 61.4 |

This single table replaces eight separate sections of detailed analysis. Each row presents a material matter, its key indicator, the 2025 value, and the trend direction all in a format that can be scanned in seconds. Stakeholders can immediately see that six of eight material matters are trending positively, one is stable, and none are trending negatively. The table is concise but complete, providing all the information necessary for a high-level assessment of the organization's health.

Conciseness is also achieved through the consistent use of three-year trends rather than longer historical periods. While the organization has decades of operating history, the integrated report focuses on the three-year period from 2023 to 2025 because this provides sufficient context for understanding current performance without overwhelming stakeholders with excessive historical detail.

By excluding non-material information, the integrated report remains focused and manageable. Stakeholders who need detailed information such as complete fixed asset schedules or deferred tax calculations can find it in the full financial statements. The integrated report provides the strategic context that makes that detailed information meaningful, without duplicating it.

### Reliability and Completeness in the Integrated Report of Reliance Insurance PLC

The principle of reliability and completeness requires the integrated report to include all material matters—both positive and negative—in a balanced way without material error, enabling stakeholders to form a complete and accurate understanding of the organization's performance, position, and prospects. For Reliance Insurance PLC, reliability is achieved through the use of audited financial data, consistent accounting policies, and independent external assurance. Completeness is achieved through the balanced presentation of both achievements and challenges, ensuring that stakeholders see the full picture—not just a selectively favorable version. The 2025 fiscal year provides a powerful demonstration of this principle in action, as the integrated report presents both the positive achievements of NAV growth, cash flow surge, and improving claim settlement, alongside the negative challenges of EPS decline, increased claims, and Q4 profit compression. This balanced presentation enables stakeholders to trust the information and make informed decisions.

The foundation of reliability in the integrated report is the use of audited financial data. Every financial metric presented from gross premium of BDT 5,410 million to NAV per share of BDT 78.95 is derived directly from the financial statements audited by MABS & J Partners, Chartered Accountants. The external audit opinion, signed on February 26, 2026, confirms that the financial statements present a true and fair view of the company's financial position and performance. This independent assurance provides stakeholders with confidence that the information has been verified by professionals with no vested interest in the outcome.

By explicitly disclosing the event and its impacts, the integrated report demonstrates completeness. Stakeholders are not left to speculate about the cause of the EPS decline; the information is provided directly and transparently. This completeness builds trust, as stakeholders know that the organization is not hiding difficulties but addressing them openly.

Reliability is also demonstrated through the reconciliation of key metrics to the underlying financial statements. Every material metric presented in the integrated report can be traced directly to a line item in the audited financial statements, enabling stakeholders to verify the information independently.

**Reliability – Metric Traceability**

| Integrated Report Metric | Source in Financial Statements | 2025 Value |
|---|---|---|
| NAV Per Share | Shareholders' Equity / Shares Outstanding | BDT 78.95 |
| EPS | Net Profit / Weighted Average Shares | BDT 8.42 |
| Gross Premium | Total Gross Premium Income | BDT 5,410 million |
| Net Premium | Net Premium Income | BDT 1,597 million |
| ROE | Net Profit / Average Shareholders' Equity × 100 | 19.17% |
| Combined Ratio | (Claims + Expenses) / Net Premium × 100 | 82.48% |
| Claim Settlement Ratio | Claims Settled / Claims Received × 100 | 78% |

This traceability enables stakeholders to verify the accuracy of the integrated report by referring to the original audited financial statements. The report does not ask stakeholders to take information on faith; it provides the source and methodology for each metric.

Completeness is also demonstrated through the inclusion of segment-wise data across all business lines. Rather than presenting only aggregate results, the integrated report provides detailed performance information for Fire, Marine Cargo, Marine Hull, Motor, and Miscellaneous segments, enabling stakeholders to assess the contribution of each.

**Completeness – Disclosure of External Factors**

| External Factor | 2025 Condition | Impact on Organization |
|---|---|---|
| Regulatory Environment | IDRA oversight; solvency requirements | Compliance costs; rating requirements |
| Economic Conditions | Bangladesh's trade growth | Marine Cargo opportunities |
| Catastrophe Events | Cargo village fire | BDT 267 million in Fire claims |
| Reinsurance Market | Availability of capacity | Retention decisions |
| Capital Market | Stock price volatility | P/B ratio of 0.86x |

The reliability of the integrated report is further strengthened by the signatures and approvals that appear throughout the document. The Chairman of the Board signs the statement of financial position, attesting to the Board's approval. The Chief Executive Officer and Chief Financial Officer sign, confirming their responsibility for the accuracy of the information. The external auditors sign their audit opinion, providing independent assurance.

### Consistency and Comparability in the Integrated Report of Reliance Insurance PLC

The principle of consistency and comparability requires the integrated report to present information in a manner that enables stakeholders to compare performance over time and, where relevant, with other organizations. For Reliance Insurance PLC, consistency is achieved through the use of identical definitions, calculation methodologies, and presentation formats across all reporting periods. Comparability is achieved through the presentation of multi-year trends, the use of standard industry metrics, and the consistent segmentation of business lines. The 2025 fiscal year demonstrates the power of this principle, as stakeholders can directly compare 2025 performance to 2024 and 2023 with confidence that the underlying calculations have not changed, enabling them to distinguish between temporary fluctuations and sustained trends.

The most powerful demonstration of consistency and comparability in the integrated report is the presentation of net asset value per share over a three-year period using identical calculation methodologies. This single consistent metric enables stakeholder to see the uninterrupted upward trajectory of the organization's capital strength.

**Consistency and Comparability – NAV Per Share (2023–2025)**

| Financial Year | NAV Per Share (BDT) | Year-on-Year Change | Cumulative Growth |
|---|---|---|---|
| 2023 | 66.85 | — | — |
| 2024 | 69.59 | +9.68% | +9.68% |
| 2025 | 78.95 | +13.45% | +24.43% |

The consistency of this presentation is essential for meaningful comparison. Because NAV per share is calculated using the same methodology shareholders' equity divided by the weighted average number of ordinary shares outstanding in each year, stakeholders can be confident that the 9.68 percent increase from 2023 to 2024 and the 13.45 percent increase from 2024 to 2025 represent growth rather than changes in accounting policies. The three-year horizon provides sufficient context to identify the sustained trend of value creation, with cumulative growth of 24.43 percent. Without this consistent presentation, stakeholders could not distinguish between genuine performance improvement and changes in measurement methodology.

The comparability enabled by this consistency is invaluable for stakeholders. Shareholders can compare the organization's NAV growth to that of other insurance companies, using the same metric calculated on the same basis. Regulators can compare the organization's capital strength to industry benchmarks. Potential investors can assess whether the organization's value creation trajectory is competitive. The consistent metric serves as a common language for communication across all stakeholder groups.

Consistency and comparability are also powerfully demonstrated through the presentation of return on equity over the same three-year period, using the same calculation methodology net profit after tax divided by average shareholders' equity in each year.

**Consistency and Comparability – Return on Equity (2023–2025)**

| Financial Year | Return on Equity (%) | Year-on-Year Change |
|---|---|---|
| 2023 | 15.26 | — |
| 2024 | 17.18 | +1.92% |
| 2025 | 19.17 | +1.99% |

The consistent upward trajectory of ROE—from 15.26 percent to 17.18 percent to 19.17 percent—is only meaningful because the metric is calculated identically each year. Stakeholders can see that the organization has improved its return on shareholder capital by 3.91 percentage points over two years, with consistent year-on-year improvements. This consistency enables stakeholders to project future performance with greater confidence, as the pattern of improvement has been sustained over multiple periods.

The comparability of ROE to industry benchmarks is particularly valuable. Return on equity is a standard metric used across all industries, enabling stakeholders to compare Reliance Insurance PLC's performance to that of other insurance companies,

other financial institutions, and even companies in entirely different sectors. A consistent ROE of 19.17 percent, calculated on the same basis as competitors, provides stakeholders with a clear measure of the organization's relative efficiency in generating returns from shareholder capital.

Beyond these two key metrics, consistency and comparability are applied throughout the integrated report. Segment definitions remain constant across all reporting periods, with Fire, Marine Cargo, Marine Hull, Motor, and Miscellaneous segments tracked identically each year. This enables stakeholders to compare Fire premium growth of 7.92 percent in 2025 to Fire premium changes in prior years, identifying trends and assessing the effectiveness of strategic focus. The claim settlement ratio is calculated consistently as claims settled divided by claims received, enabling stakeholders to see the improvement from 44.53 percent to 48.20 percent to 78 percent as a trend rather than a measurement artifact.

The solvency ratio, combined ratio, net loss ratio, and all other key metrics are presented using consistent methodologies across all periods. The regulatory requirement of 1.00 percent remains constant, enabling stakeholders to see that the organization's solvency ratio of 3.03 percent represents a 203 percent buffer. The use of industry-standard ratios ensures comparability not only across the organization's own history but also across the insurance industry as a whole. This consistency and comparability are fundamental to the "Future Built" vision, demonstrating that Reliance Insurance PLC's performance can be measured, tracked, and benchmarked against the highest standards, providing stakeholders with the confidence that comes from reliable, comparable information.

# CONTENT ELEMENTS

The integrated report of Reliance Insurance PLC is organized around eight content elements prescribed by the International Integrated Reporting Framework, which collectively provide a comprehensive and connected account of how the organization creates, preserves, and erodes value. These eight elements organizational overview and external environment, governance, business model, risks and opportunities, strategy and resource allocation, performance, outlook, and basis of preparation and presentation are not presented as isolated sections but as an integrated narrative where each element informs and connects to the others. The 2025 fiscal year demonstrates how these content elements work together to provide stakeholders with a complete understanding of the organization's value creation story.

### Organizational Overview and External Environment – Reliance Insurance PLC

The organizational overview and external environment content element of the integrated report provides stakeholders with a clear understanding of who Reliance Insurance PLC is, what it does, and the context in which it operates. This foundational element establishes the backdrop against which all other elements of the report governance, business model, risks and opportunities, strategy, performance, and outlook must be understood. Reliance Insurance PLC was incorporated in 1988 as a public limited company under the Companies Act 1913 (now the Companies Act 1994), making it a first-generation private non-life insurer with over three decades of operational experience in Bangladesh. The company is authorized to provide non-life insurance services across Fire, Marine, Motor, and Miscellaneous segments, operating in accordance with the Insurance Act 2010 and the directives issued from time to time by the Insurance Development and Regulatory Authority (IDRA). As a listed entity on both the Dhaka Stock Exchange and the Chittagong Stock Exchange, the company is also subject to the oversight of the Bangladesh Securities and Exchange Commission (BSEC) and must comply with the Securities and Exchange Rules 2020. The company carries out its insurance operations through a network of thirty-two branches located across the country, ensuring nationwide presence and accessibility for policyholders.

The external environment in which Reliance Insurance PLC operates is characterized by a dynamic interplay of economic, regulatory, competitive, and risk factors that collectively shape the organization's opportunities and challenges. The single most informative graph for understanding this environment consolidates the key external factors and the company's position within them.

**External Environment and Organizational Positioning (2025)**

| External Factor | Current Condition | Impact on Reliance Insurance | Company's Position |
|---|---|---|---|
| Regulatory Environment | IDRA oversight; solvency requirement of 1.00% | Compliance costs; capital requirements | Solvency ratio of 3.03% (203% above requirement) |

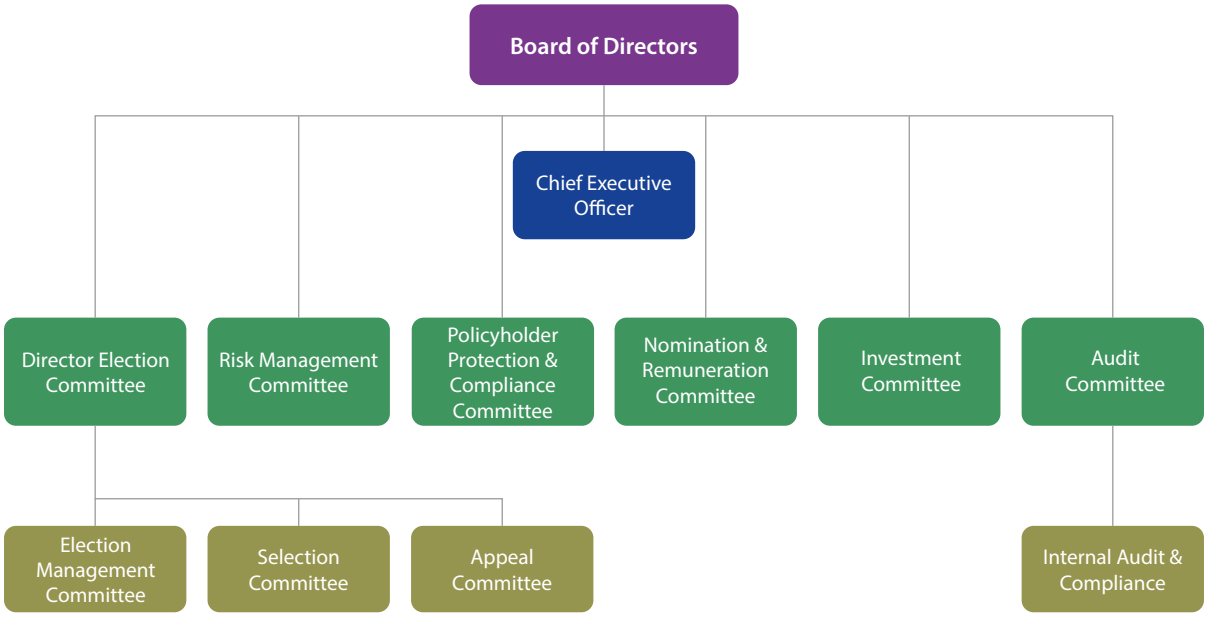
| External Factor | Current Condition | Impact on Reliance Insurance | Company's Position |
|---|---|---|---|
| Economic Environment | Bangladesh's growing economy; expanding trade sector | Opportunities for premium growth | Gross premium BDT 5,410 million (+5.63%) |
| Reinsurance Market | Availability of capacity from domestic and foreign reinsurers | Ability to cede risk | Retention ratio 29.52%; 70.48% ceded |
| Capital Market | Listed shares; stock price volatility | Access to equity capital | P/B ratio 0.86x; NAV BDT 78.95 vs market BDT 57.20 |
| Policyholder Awareness | Increasing awareness of insurance benefits | Growing demand for coverage | Gross premium +38.65% over two years |
| Technological Change | Digital transformation of insurance processes | Need for investment in systems | Office equipment +12,000%; fixed assets BDT 3,435M |

The regulatory environment is a particularly significant external factor, as IDRA's oversight ensures that insurance companies maintain adequate solvency to protect policyholders. The minimum solvency requirement is 1.00 percent of net premium, meaning that assets must exceed liabilities by at least 1.00 percent of net premium. This strong solvency position is a direct result of the company's conservative capital management and consistent profitability over many years.

The economic environment of Bangladesh presents significant opportunities for Reliance Insurance PLC. Bangladesh's position as a major readymade garment exporting nation drives demand for Marine Cargo insurance, which grew by 9.10 percent in 2025 to BDT 959 million. The country's ongoing industrialization and urbanization drive demand for Fire insurance, which grew by 7.92 percent to BDT 3,326 million. The overall gross premium growth of 5.63 percent to BDT 5,410 million reflects the company's ability to capitalize on these economic opportunities. However, the economic environment also presents challenges, including inflationary pressures that increase claim costs and interest rate fluctuations that affect investment returns. The company's conservative investment strategy, with 61.4 percent of the portfolio in government securities, mitigates some of these risks.

### Governance – Reliance Insurance PLC

**The Board Structure, Individual Roles, and Key Strategic Initiatives under the leadership of Reliance Insurance PLC:**



The governance content element of the integrated report explains how Reliance Insurance PLC is directed, controlled, and overseen, and how governance structures support the organization's ability to create, preserve, and erode value. Governance at Reliance Insurance PLC is exercised through a multi-layered framework that includes the Board of Directors, executive management, independent oversight, and external assurance providers. This framework ensures that the organization operates with integrity, accountability, and transparency, and that the interests of all stakeholders shareholders, policyholders, regulators, financial institutions, and employees are appropriately balanced. The 2025 fiscal year provides compelling evidence of effective governance in action, as the Board and management navigated the extraordinary challenge of the cargo village fire while maintaining financial strength, protecting policyholder interests, and delivering consistent returns to shareholders.

The governance structure of Reliance Insurance PLC is anchored by the Board of Directors, which bears ultimate responsibility for the organization's strategic direction, risk appetite, and financial integrity. The Board is composed of experienced professionals who bring diverse perspectives and expertise to their oversight role. The Chairman leads the Board, ensuring that meetings are productive, that all directors have the opportunity to contribute, and that decisions are made in the best interests of the organization and its stakeholders. The Board approves the annual budget, sets strategic priorities, monitors performance against objectives, and oversees the management of risks. In 2025, the Board's oversight was particularly evident in the approval of the strategic decision to increase Fire retention from 14.76 percent to 17.35 percent, a decision that required careful assessment of the trade-off between higher net premium growth and increased risk exposure. The Board also approved the maintenance of the 30 percent cash dividend for the third consecutive year, demonstrating its commitment to shareholder returns even in a year marked by the Q4 profit decline from the cargo village fire.

### Governance Structure and Key Responsibilities

#### Board of Directors

| Composition | Key Responsibilities |
|---|---|
| Chairman and Directors | Strategic direction; risk oversight; approval of financial statements |

#### Chief Executive Officer

| Composition | Key Responsibilities |
|---|---|
| Executive Management | Implementation of strategy; day-to-day operations |

#### Chief Financial Officer

| Composition | Key Responsibilities |
|---|---|
| Financial Management | Financial integrity; reporting; capital management |

#### External Auditors

| Composition | Key Responsibilities |
|---|---|
| MABS & J Partners, Chartered Accountants | Independent assurance on financial statements |

## IDRA

| Composition | Key Responsibilities |
|---|---|
| Regulatory Authority | Solvency oversight; compliance monitoring |

## CRISL

| Composition | Key Responsibilities |
|---|---|
| Credit Rating Agency | Assessment of claim-paying ability |

The Chief Executive Officer serves as the executive leader responsible for implementing the Board's strategic direction and managing the organization's day-to-day operations. The CEO leads the executive management team, which includes the Chief Financial Officer and other senior executives, in executing the organization's "Future Built" vision. In 2025, the CEO's leadership was tested by the cargo village fire in October 2025, which required rapid response to ensure that claims were processed efficiently, that policyholders received timely payments, and that the organization's financial strength was maintained. The CEO also led the strategic decision to increase Fire retention, demonstrating confidence in the organization's underwriting capabilities and commitment to long-term value creation. The CEO's signature on the statement of financial position, alongside the Chairman and other directors, attests to the accuracy and completeness of the financial information presented in the integrated report.

The Chief Financial Officer bears specific responsibility for the integrity of the organization's financial reporting, the management of its capital position, and the accuracy of its financial statements. The CFO ensures that all financial disclosures are prepared in accordance with International Financial Reporting Standards and that the integrated report's financial information is consistent with the audited financial statements. In 2025, the CFO's oversight ensured that the NAV per share calculation of BDT 78.95 was accurate, that the EPS figure of BDT 8.42 properly reflected the impact of the cargo village fire, and that the solvency ratio of 3.03 percent was correctly computed. The CFO also managed the organization's cash position of BDT 3,597 million, ensuring sufficient liquidity for claim payments while optimizing returns through the conservative investment strategy with 61.4 percent in government securities.

The external auditors, MABS & J Partners, Chartered Accountants, provide independent assurance on the financial statements, confirming that they present a true and fair view of the organization's financial position and performance. The audit is conducted in accordance with International Standards on Auditing, and the audit opinion is signed by the Additional Managing Partner, Nasir U Ahmed, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales), on February 26, 2026. The unqualified audit opinion provides stakeholders with confidence that the financial information including gross premium of BDT 5,410 million, net profit after tax of BDT 885 million, and total assets of BDT 15,167 million is reliable and free from material misstatement. The auditors also review the consistency of the integrated report's financial information with the audited financial statements, enhancing the overall credibility of the report.

The governance framework also includes internal controls and risk management systems that are designed to prevent, detect, and correct errors and irregularities. The internal audit function provides independent assurance to the Board and management on the effectiveness of these controls. The risk management function identifies, assesses, and monitors the risks that could affect the organization's ability to create value, including underwriting risk, catastrophe risk, investment risk, and operational risk. The decision to increase Fire retention to 17.35 percent was made only after a thorough risk assessment, and the organization's ability to absorb the resulting claims from the cargo village fire demonstrates the effectiveness of this risk governance.

### Business Model – Reliance Insurance PLC

The business model content element of the integrated report explains how Reliance Insurance PLC transforms inputs drawn from the six capitals through its business activities into outputs and outcomes that create, preserve, or erode value for stakeholders. The business model is the engine of value creation, and understanding it is essential for stakeholders to assess how the organization generates returns, manages risks, and sustains its operations over time. For Reliance Insurance PLC, the business model is centered on four core activities: underwriting and premium collection, risk management and reinsurance, investment management, and claims processing. These activities are interconnected and mutually reinforcing, with each depending on the others to create a sustainable, profitable, and resilient insurance business. The 2025 fiscal year provides a powerful illustration of the business model in action, as the organization's strategic decision to increase Fire retention, the external shock of the cargo village fire, and the resulting financial outcomes demonstrated both

the strengths and the vulnerabilities inherent in the model.

The inputs to Reliance Insurance PLC's business model are drawn from the six capitals. Financial capital includes shareholders' equity of BDT 8,303 million, retained earnings of BDT 2,352 million, and an investment portfolio of BDT 4,693 million. Manufactured capital includes the Reliance Insurance Tower, which was completed in 2025, and the network of 21 branches across Bangladesh. Intellectual capital includes underwriting expertise, risk management systems, and the AAA credit rating. Human capital includes 247 employees with specialized skills in underwriting, claims, investment, and risk management. Social and relationship capital includes policyholder trust, regulatory relationships, and reinsurer partnerships. Natural capital includes the environmental risks that are assessed and insured. These inputs are transformed through the organization's business activities into outputs and outcomes that create value for stakeholders. The single most informative graph for understanding this transformation is a comprehensive business model diagram that consolidates inputs, activities, outputs, and outcomes across all business segments.

**The Business Model – Inputs, Activities, Outputs, and Outcomes (2025)**

| Element | Fire | Marine Cargo | Marine Hull | Motor | Miscellaneous | Overall |
|---|---|---|---|---|---|---|
| **INPUTS** | | | | | | |
| Financial Capital | Shareholders' equity BDT 8,303M; premiums collected | Same | Same | Same | Same | BDT 8,303M equity; BDT 5,410M gross premium |
| Intellectual Capital | Underwriting expertise; AAA rating | Same | Same | Same | Same | AAA rating maintained |
| Human Capital | Specialized underwriting staff | Specialized marine staff | Specialized hull staff | Specialized motor staff | Specialized misc. staff | 247 employees |
| Manufactured Capital | Branch network | Branch network | Branch network | Branch network | Branch network | 21 branches; Reliance Tower |
| **ACTIVITIES** | | | | | | |
| Underwriting | 17.35% retention | 69.84% retention | 18.13% retention | 97.25% retention | 24.39% retention | 29.52% overall retention |
| Premium Collection | BDT 3,326M gross | BDT 959M gross | BDT 223M gross | BDT 123M gross | BDT 779M gross | BDT 5,410M gross premium |
| OUTPUTS | | | | | | |
| Net Premium | BDT 577M | BDT 670M | BDT 40M | BDT 120M | BDT 190M | BDT 1,597M net premium |
| Claims Paid (Net) | BDT 267M | BDT 86M | (BDT 19M) | BDT 17M | BDT 5M | BDT 355M net claims paid |
| Investment Income | — | — | — | — | — | BDT 770M investment income |
| **OUTCOMES** | | | | | | |
| Shareholder Value | NAV contribution | NAV contribution | NAV contribution | NAV contribution | NAV contribution | NAV BDT 78.95 (+13.45%) |
| Policyholder Protection | Claims paid | Claims paid | Claims paid | Claims paid | Claims paid | Claim settlement 78% |

The underwriting activity is the foundation of the business model, as it determines which risks the organization will assume, at what price, and under what terms. The underwriting process begins with the assessment of potential policyholders, evaluating the risks they present and determining appropriate premium rates. In the Fire segment, which accounts for 61.5 percent of gross premium, the organization's underwriting expertise enabled the strategic decision to increase retention from 14.76 percent to 17.35 percent, demonstrating confidence in the ability to assess and price fire risk accurately. In the Marine Cargo segment, which grew by 9.10 percent to BDT 959 million, underwriting expertise leverages Bangladesh's position as a major trading nation. In the Motor segment, the retention ratio of 97.25 percent reflects the organization's confidence in underwriting this class of business, which is characterized by many small claims rather than a few large ones.

The investment management activity is the third core component of the business model. Premiums collected from policyholders are held as funds until claims are paid, and these funds are invested to generate returns. The investment portfolio of BDT 4,693 million is managed conservatively, with 61.4 percent in government securities, the safest available assets. This conservative approach ensures that policyholder funds are protected and that investment income is stable. In 2025, investment income grew by 25.38 percent to BDT 770 million, representing 87.0 percent of net profit after tax. This diversification of income is a critical feature of the business model, as it reduces reliance on underwriting profitability and provides stability even in years when claims are elevated.

### Risks and Opportunities – Reliance Insurance PLC

The risks and opportunities content element of the integrated report requires the organization to identify the key risks that could affect its ability to create, preserve, or erode value, as well as the opportunities it seeks to exploit for future value creation. For Reliance Insurance PLC, risk management is not merely a defensive activity but an integral part of the business model, enabling the organization to take calculated risks in pursuit of higher returns. The 2025 fiscal year demonstrated both the importance of robust risk management and the organization's ability to identify and capitalize on strategic opportunities. The cargo village fire tested the organization's risk management framework, while the strategic decision to increase Fire retention and the focus on Marine Cargo growth represented deliberate opportunity-seeking. The following simple graph consolidates the most significant risks and opportunities facing the organization, assessed by their potential impact and likelihood.

**Risks and Opportunities Assessment (2025)**

| Category | Item | Potential Impact | Likelihood | Net Risk/Opportunity |
|---|---|---|---|---|
| Risk | Catastrophe Events (Fire, Flood, Cyclone) | High – can cause large claims | Medium | Managed through reinsurance and solvency (3.03%) |
| Risk | Underwriting Loss | High – affects profitability | Low | Combined ratio 82.48% (profitable) |
| Risk | Investment Market Volatility | Medium – affects investment income | Medium | Mitigated by 61.4% in government securities |
| Risk | Regulatory Changes | Medium – compliance costs | Low | Proactive compliance monitoring |
| Risk | Reinsurance Availability | Medium – affects risk transfer | Low | Strong relationships with reinsurers |
| Opportunity | Fire Segment Growth | High – premium growth | High | +7.92% to BDT 3,326 million |
| Opportunity | Marine Cargo Growth | High – premium growth | High | +9.10% to BDT 959 million |
| Opportunity | Increased Retention | High – higher net premium | Medium | Fire retention increased to 17.35% |
| Opportunity | Investment Income | Medium – diversified earnings | High | +25.38% to BDT 770 million |
| Opportunity | Branch Expansion | Medium – market reach | Medium | 21 branches nationwide |

The most significant risk facing Reliance Insurance PLC is catastrophe events, including fires, floods, cyclones, and other large-scale perils. The cargo village fire in October 2025 demonstrated the materiality of this risk, causing Fire claims incurred to increase by 120.84 percent to BDT 267 million. The potential impact of such events is high, as they can generate large claim volumes that test the organization's capital and liquidity. The likelihood of catastrophe events is medium, as they occur periodically but not annually. The organization manages this risk through a combination of reinsurance, which cedes 70.48 percent of gross premium to reinsurers, and strong solvency, with a solvency ratio of 3.03 percent—203 percent above the regulatory requirement. This dual approach ensures that even a significant catastrophe does not threaten the organization's viability.

Underwriting loss is the risk that claims and expenses exceed premiums, resulting in an underwriting loss. The potential impact is high, as sustained underwriting losses would erode capital and reduce returns to shareholders. The likelihood is low, as evidenced by the combined ratio of 82.48 percent in 2025, which remained well below 100 percent despite the elevated claims from the cargo village fire. The organization's underwriting discipline, reflected in retention ratios that balance risk and reward and in segment-wise performance monitoring, keeps this risk under control.

### Strategy and Resource Allocation – Reliance Insurance PLC

The strategy and resource allocation content element of the integrated report explains how the organization's strategic priorities are translated into action through the deployment of resources across the six capitals. For Reliance Insurance PLC, strategy is not a static document but a dynamic framework that guides decision-making at every level of the organization. The "Future Built" vision is operationalized through four strategic pillars: growth in core segments, optimized risk retention, infrastructure investment, and conservative financial management. Each pillar requires the allocation of specific resources financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, and natural capital and each is measured against clear performance indicators. The 2025 fiscal year demonstrates the effectiveness of this strategic framework, as the organization achieved significant progress across all four pillars while navigating the extraordinary challenge of the cargo village fire. The following simple graph consolidates the four strategic pillars, the resources allocated to each, and the outcomes achieved in 2025.

**Strategy and Resource Allocation – Four Strategic Pillars (2025)**

| Strategic Pillar | Resources Allocated | Key Action | 2025 Outcome |
|---|---|---|---|
| Growth in Core Segments | Intellectual capital (underwriting expertise); human capital (sales force); social capital (branch network) | Focus sales efforts on Fire and Marine Cargo | Fire premium +7.92% to BDT 3,326M; Marine Cargo +9.10% to BDT 959M |
| Optimized Risk Retention | Financial capital (BDT 8,303M equity); intellectual capital (risk assessment systems) | Increase Fire retention from 14.76% to 17.35% | Fire net premium +26.85% to BDT 577M; combined ratio 82.48% |
| Infrastructure Investment | Financial capital (BDT 721M for tower); manufactured capital (construction) | Complete Reliance Insurance Tower | Fixed assets +89.5% to BDT 3,435M; rental income BDT 28.26M |
| Conservative Financial Management | Financial capital (investment portfolio); intellectual capital (investment expertise) | Maintain 61.4% in government securities | Investment income +25.38% to BDT 770M; solvency 3.03% |

The first strategic pillar is growth in core segments. Reliance Insurance PLC has identified Fire and Marine Cargo as the primary engines of premium growth, allocating intellectual capital in the form of underwriting expertise and human capital in the form of specialized sales forces to these segments. The branch network of 21 locations across Bangladesh provides the social and relationship capital necessary to reach policyholders nationwide. The results of this resource allocation are clear: Fire premium grew by 7.92 percent to BDT 3,326 million, and Marine Cargo premium grew by 9.10 percent to BDT 959 million. Together, these two segments contributed 112.1 percent of the total premium growth, more than offsetting declines in other segments. This strategic focus on core competencies is a deliberate choice to allocate resources where they generate the highest returns.

The second strategic pillar is optimized risk retention.

Reliance Insurance PLC made the strategic decision to increase Fire retention from 14.76 percent in 2024 to 17.35 percent in 2025. This decision required the allocation of financial capital in the form of the BDT 8,303 million equity base, which provides the capacity to absorb increased risk, and intellectual capital in the form of risk assessment systems that enable confident underwriting. The outcome was a 26.85 percent increase in Fire net premium to BDT 577 million, demonstrating the value of the strategic decision. Even when the cargo village fire tested this increased retention, the organization's strong capital base enabled it to absorb the BDT 267 million in Fire claims while maintaining a combined ratio of 82.48 percent, well below the 100 percent threshold for underwriting profitability.

The third strategic pillar is infrastructure investment. Reliance Insurance PLC allocated substantial financial capital to the construction of the Reliance Insurance Tower, completing the project in 2025. This investment of BDT 721 million transformed financial capital into manufactured capital, creating a modern headquarters that serves as the organization's corporate home. The outcome was a 89.5 percent increase in fixed assets to BDT 3,435 million. Beyond the operational benefits of a modern workplace, this infrastructure investment also generates financial returns, with six floors leased rental income of BDT 28.26 million in 2025. This strategic allocation of resources to infrastructure demonstrates a long-term orientation, as the tower will serve the organization for decades.

The fourth strategic pillar is conservative financial management. Reliance Insurance PLC allocates its investment portfolio of BDT 4,693 million with a strong preference for safety, with 61.4 percent held in government securities. This allocation of financial capital to the safest available assets ensures that policyholder funds are protected and that investment income is stable. The outcome was investment income of BDT 770 million, representing 25.38 percent growth from 2024 and 87.0 percent of net profit after tax. The conservative financial management also maintains a solvency ratio of 3.03 percent—203 percent above the regulatory requirement—providing the capital buffer that enabled the organization to absorb the cargo village fire without threatening its financial stability.

### Performance – Reliance Insurance PLC

The performance content element of the integrated report presents the organization's results against its strategic objectives and key performance indicators, providing stakeholders with evidence of value creation, preservation, or erosion over the reporting period. For Reliance Insurance PLC, performance is measured across multiple dimensions' financial strength, profitability, operational efficiency, risk management, and stakeholder service each aligned with the strategic pillars of growth, retention, infrastructure investment, and conservative financial management. The 2025 fiscal year delivered a mixed but ultimately resilient performance: the organization achieved significant successes in capital growth, cash generation, and service quality, while facing challenges from the cargo village fire that temporarily reduced earnings and elevated claims. The following simple graph consolidates the most important performance metrics, comparing 2025 results to 2024 and 2023 to enable stakeholders to assess trends and distinguish between temporary setbacks and sustained progress.

**Strategy and Resource Allocation – Four Strategic Pillars (2025)**

| Metric | 2024 | 2025 | Strategic Alignment |
|---|---|---|---|
| NAV Per Share (BDT) | 69.59 | 78.95 | Long-term value creation |
| Return on Equity (%) | 17.18 | 19.17 | Capital efficiency |
| Net Operating Cash Flow Per Share (BDT) | 1.66 | 6.84 | Operational excellence |
| Claim Settlement Ratio (%) | 48.20 | 78 | Policyholder service |
| Solvency Ratio (%) | 2.60 | 3.03 | Financial stability |
| Gross Premium (BDT Million) | 5,122 | 5,410 | Growth in core segments |
| Earnings Per Share (BDT) | 9.12 | 8.42 | Short-term profitability |
| Combined Ratio (%) | 76.18 | 82.48 | Underwriting discipline |

The performance dashboard reveals that Reliance Insurance PLC achieved positive results across the majority of its key metrics in 2025. NAV per share, the primary measure of long-term value creation, continued its consistent upward trajectory, increasing by 13.45 percent to BDT 78.95. This represents cumulative growth of 24.43 percent over two years, demonstrating that the organization's strategic focus on long-term value creation is succeeding. Return on equity improved for the third consecutive year, reaching 19.17 percent, indicating that the organization is generating increasing returns from shareholder capital. This improvement occurred despite the temporary earnings decline, reflecting the underlying strength of the business.

Net operating cash flow per share surged by 312 percent to BDT 6.84, the most significant operational achievement of 2025. This exceptional performance reflects improved premium collection efficiency, effective working capital management, and the organization's ability to convert written premiums into collected cash. Strong cash flow provides the liquidity to pay claims, fund operations, and invest in future growth without reliance on external financing. The claim settlement ratio improved to 78 percent, up from 48.20 percent in 2024 and 44.53 percent in 2023, demonstrating the organization's commitment to policyholder service even in a year marked by the cargo village fire.

The solvency ratio of 3.03 percent, while slightly below the 2023 peak of 7.59 percent, remains exceptionally strong at 203 percent above the regulatory requirement of 1.00 percent. This provides the capital buffer that enabled the organization to absorb the BDT 267 million in Fire claims from the cargo village fire without threatening its financial stability. Gross premium grew by 5.63 percent to BDT 5,410 million, representing cumulative growth of 38.65 percent over two years, reflecting the success of the strategic focus on Fire and Marine Cargo as growth engines.

The performance dashboard also shows areas of challenge. Earnings per share declined by 7.68 percent from BDT 9.12 in 2024 to BDT 8.42 in 2025. This decline is directly attributable to the cargo village fire, which caused a 120.84 percent increase in Fire claims and an 82.40 percent drop in Q4 net income. The combined ratio increased to 82.48 percent, up from 76.18 percent in 2024 and 67.21 percent in 2023. While still well below 100 percent indicating continued underwriting profitability this increasing trend requires monitoring to ensure that underwriting discipline is maintained.

### Outlook – Reliance Insurance PLC

The outlook content element of the integrated report provides stakeholders with insight into the organization's future prospects, including the challenges it expects to face and the opportunities it intends to pursue. For Reliance Insurance PLC, the outlook is grounded in the "Future Built" vision and the strategic pillars that have guided the organization's success: growth in core segments, optimized risk retention, infrastructure investment, and conservative financial management. The 2025 fiscal year demonstrated the resilience of this strategic framework, as the organization absorbed the shock of the cargo village fire while continuing to grow NAV, generate strong cash flow, and maintain its AAA credit rating. Looking forward, the organization is well-positioned to build on this foundation, with the capital strength, operational capacity, and strategic clarity to pursue continued growth. The following simple graph presents the key drivers of future value creation, showing the 2025 baseline and the expected trajectory for each driver based on the organization's strategic plans.

**Outlook – Key Drivers of Future Value Creation**

| Value Driver | 2025 Baseline | Expected Trajectory | Key Assumptions |
|---|---|---|---|
| NAV Per Share (BDT) | 78.95 | Continued growth | Retained earnings; prudent asset revaluation |
| Net Operating Cash Flow (BDT per share) | 6.84 | Sustained strength | Continued premium collection efficiency |
| Return on Equity (%) | 19.17 | Maintained above 15% | Disciplined capital allocation |
| Combined Ratio (%) | 82.48 | Improvement toward 75-80% | Underwriting discipline; catastrophe management |
| Gross Premium (BDT Million) | 5,410 | 5-10% annual growth | Fire and Marine Cargo focus |
| Fire Retention Ratio (%) | 17.35 | Maintained or slight increase | Confidence in underwriting |

| Value Driver | 2025 Baseline | Expected Trajectory | Key Assumptions |
|---|---|---|---|
| Investment Income (BDT Million) | 770 | Continued growth | Conservative portfolio; market conditions |
| Combined Ratio (%) | 76.18 | 82.48 | Underwriting discipline |

BDT 66.85 in 2023 to BDT 78.95 in 2025. The expected trajectory is continued growth, driven by retained earnings from profitable operations and prudent asset revaluation. The organization's ability to maintain profitability even in a year marked by the cargo village fire supports this expectation. The 312 percent surge in net operating cash flow per share to BDT 6.84 provides the liquidity to fund future growth without reliance on external financing. The expected trajectory is sustained strength, as the operational improvements that drove this surge are expected to continue.

Return on equity has improved for three consecutive years, reaching 19.17 percent in 2025. The expected trajectory is maintenance above 15 percent, supported by disciplined capital allocation and the organization's focus on high-return segments. The solvency ratio of 3.03 percent, while down from the 2023 peak of 9.03 percent, remains exceptionally strong at 203 percent above the regulatory requirement. The expected trajectory is maintenance above 5 percent, providing a substantial buffer for future challenges.

The combined ratio increased to 82.48 percent in 2025, up from 67.21 percent in 2023, driven by the cargo village fire claims. The expected trajectory is improvement toward 75-80 percent, as the organization benefits from underwriting discipline and the absence of catastrophe events. Management expects that the elevated claims of 2025 were event-driven rather than indicative of a systemic trend, and that the combined ratio will return to historical levels in the absence of major catastrophes.

Gross premium is expected to continue growing at 5-10 percent annually, driven by the strategic focus on Fire and Marine Cargo as growth engines. The Fire segment, which grew by 7.92 percent to BDT 3,326 million in 2025, is expected to remain the primary growth driver, supported by Bangladesh's ongoing industrialization and urbanization. The Marine Cargo segment, which grew by 9.10 percent to BDT 959 million, is expected to benefit from Bangladesh's continued position as a major readymade garment exporting nation.

The Fire retention ratio, increased strategically from 14.76 percent to 17.35 percent in 2025, is expected to be maintained at current levels or increased slightly.

Management's confidence in underwriting capabilities, demonstrated by the decision to increase retention despite the cargo village fire, supports this expectation. The cargo village fire tested the organization's risk management, and the ability to absorb the resulting claims while maintaining the AAA rating validates the strategic decision.

Investment income, which grew by 25.38 percent to BDT 770 million in 2025, is expected to continue growing, supported by the conservative investment strategy with 61.4 percent in government securities. The investment portfolio of BDT 4,693 million provides a substantial base for continued income generation, and the organization's expertise in investment management supports the expectation of continued growth.

### Basis of Preparation and Presentation – Reliance Insurance PLC

The basis of preparation and presentation content element of the integrated report provides stakeholders with essential information about how the report has been prepared, including the framework used, the scope and boundary of reporting, the significant accounting policies applied, and the assurance obtained. For Reliance Insurance PLC, this element ensures transparency about the report's foundations, enabling stakeholders to understand what information is included, how it has been measured, and what reliance they can place on it. The integrated report has been prepared in accordance with the International Integrated Reporting Framework, which provides the guiding principles and content elements that structure the narrative. The financial information presented throughout the report is derived from the audited financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the Financial Reporting Council (FRC) of Bangladesh, and comply with the Insurance Act 2010, the Companies Act 1994, and the directives of the Insurance Development and Regulatory Authority (IDRA). The reporting period is the fiscal year from January 1, 2025, to December 31, 2025, with comparative information provided for 2024 and, where relevant, 2023 to enable consistency and comparability. The following simple graph consolidates the key elements of the basis of preparation and presentation.

**Basis of Preparation and Presentation – Key Elements**

| Element | Description | 2025 Application |
|---|---|---|
| Reporting Framework | International Integrated Reporting Framework | Guiding principles and content elements applied throughout |
| Financial Reporting Standards | IFRS as adopted by FRC Bangladesh | Consistent application across all periods |
| Regulatory Compliance | Insurance Act 2010; Companies Act 1994; IDRA directives | Full compliance maintained |
| Reporting Period | January 1 to December 31 | 2025 fiscal year; comparatives for 2024 and 2023 |
| Currency and Rounding | Bangladeshi Taka (BDT); millions except per share amounts | Consistent presentation |
| Basis of Measurement | Historical cost, except where IFRS requires fair value | Land and buildings revalued; investments at fair value |
| Scope and Boundary | Reliance Insurance PLC standalone | No subsidiaries; all operations included |
| Assurance | External audit by MABS & J Partners, Chartered Accountants | Unqualified opinion issued February 26, 2026 |
| Approval | Board of Directors | Signed by Chairman and Directors on February 26, 2026 |

The integrated report has been prepared using the International Integrated Reporting Framework as the overarching structure. This framework provides the seven guiding principles strategic focus and future orientation, connectivity of information, stakeholder relationships, materiality, conciseness, reliability and completeness, and consistency and comparability that have been applied throughout the report. The eight content elements organizational overview and external environment, governance, business model, risks and opportunities, strategy and resource allocation, performance, outlook, and basis of preparation and presentation provide the structure that ensures all material information is included. The report is intended to provide a holistic and connected account of how Reliance Insurance PLC creates, preserves, and erodes value for its stakeholders.

The financial information presented in the integrated report is derived from the audited financial statements of Reliance Insurance PLC. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the Financial Reporting Council of Bangladesh. The significant accounting policies applied include premium recognition on an accrual basis, claims provisioning based on estimated liability, depreciation on a straight-line basis over estimated useful lives, investment measurement at fair value through other comprehensive income for quoted shares and at amortized cost for government securities, and deferred tax recognition on temporary differences between accounting and tax bases. These policies have been applied consistently across all reporting periods presented, ensuring comparability between 2025, 2024, and 2023.

The reporting period for the integrated report is the fiscal year from January 1, 2025, to December 31, 2025. Comparative information is provided for 2024 and, where relevant, for 2023 to enable stakeholders to identify trends and assess performance over time. All amounts are presented in Bangladeshi Taka (BDT), the company's functional currency, with figures rounded to the nearest million except for per share amounts, which are presented with two decimal places. The basis of measurement is historical cost except where IFRS requires fair value measurement. Land and buildings have been revalued by independent values, with revaluation surpluses recognized in other comprehensive income and transferred to the revaluation reserve. Investments in quoted shares are measured at fair value, with changes recognized in other comprehensive income. Government securities are measured at amortized cost.

The scope and boundary of the integrated report cover Reliance Insurance PLC on a standalone basis. The company has no subsidiaries, joint ventures, or associates, and all operations are conducted directly by the company through its head office and 21 branches across Bangladesh. The report includes all material matters that affect the company's ability to create, preserve, or erode value, including financial performance, risk management, stakeholder relationships, and strategic initiatives. Non-material information has been excluded to maintain conciseness.

# GENERAL REPORTING GUIDANCE

The general reporting guidance of the International Integrated Reporting Framework provides essential directives on the frequency, timeliness, and presentation of the integrated report, ensuring that stakeholders receive information that is current, comparable, and clearly communicated. For Reliance Insurance PLC, the integrated report is prepared and presented annually, covering the fiscal year from January 1 to December 31. The report is issued within three months of the year-end, following the completion of the audited financial statements, to ensure that stakeholders have timely access to material information. The report is published in both electronic and print formats, with the electronic version available for download from the company's website, ensuring broad accessibility. The following simple graph consolidates the key elements of the general reporting guidance applicable to Reliance Insurance PLC.

**General Reporting Guidance – Key Elements**

| Guidance Element | Requirement | Reliance Insurance PLC Application |
|---|---|---|
| Reporting Frequency | Annual | Integrated report prepared for fiscal year January 1 to December 31, 2025 |
| Timeliness | Within a reasonable period after year-end | Report issued within three months; audited financial statements signed February 26, 2026 |
| Consistency | Same framework and methodologies each period | <IR> Framework applied consistently; same definitions for NAV, EPS, solvency, etc. |
| Comparative Information | Prior period data for all key metrics | 2024 and 2023 data presented for all material metrics |
| Restatement of Prior Periods | Prior period errors corrected retrospectively | Prior year adjustments disclosed in notes when applicable |
| Availability | Electronic and print formats | Downloadable PDF on company website; print copies available on request |
| Framework Statement | Clear identification of framework used | Statement: "Prepared in accordance with the International Integrated Reporting Framework" |
| Contact Information | For stakeholder inquiries | Company address, phone, and email provided |

The annual frequency of the integrated report ensures that stakeholders receive a comprehensive update on the organization's performance, position, and prospects at regular intervals. The fiscal year from January 1 to December 31 aligns with the statutory reporting period required by IDRA and BSEC, enabling the integrated report to be prepared concurrently with the audited financial statements. This alignment reduces the burden on the organization and ensures consistency between the integrated report and other regulatory filings. The timeliness of the report is critical for stakeholders who rely on current information for decision-making. By issuing the report within three months of the year-end, Reliance Insurance PLC ensures that stakeholders have access to information while it remains fresh and actionable.

Consistency is achieved by applying the same framework, definitions, and methodologies in each reporting period. The International Integrated Reporting Framework provides the structure, ensuring that the report is organized around the same guiding principles and content elements each year. The definitions of key metrics such as NAV per share, EPS, solvency ratio, combined ratio, and claim settlement ratio remain unchanged across reporting periods, enabling stakeholders to compare 2025 performance to 2024 and 2023 with confidence. Comparative information is presented for all material metrics, providing the context necessary to identify trends and assess the organization's trajectory.

When prior period errors are identified, they are corrected retrospectively in accordance with IAS 8. The notes to the financial statements disclose any such corrections, ensuring transparency and maintaining the reliability of comparative information. For example, prior year adjustments related to deferred tax and fair value reserves have been disclosed in the notes, and the comparative figures have been restated accordingly. This commitment to accurate restatement ensures that stakeholders are not misled by inconsistent data.

The availability of the integrated report in both electronic and print formats ensures that all stakeholders can access the information in the manner most convenient to them. The electronic version, available for download on the company's website, provides immediate access and enables stakeholders to search, save, and share the report. The print version remains available for stakeholders who prefer physical copies. The report includes a clear statement that it has been prepared in accordance with the International Integrated Reporting Framework, providing stakeholders with the assurance that the report meets internationally recognized standards. Contact information, including the company's address, phone number, and email, is provided for stakeholders who require further information or clarification.

# Our Six Capitals

## Financial Capital

Financial Capital represents the pool of funds available to an organization for its operations and growth. For Reliance Insurance PLC, this encompasses the company's equity base, profitability, cash generation capacity, dividend policy, and overall financial stability. This analysis examines these components using the most recent available data for the fiscal year ended December 31, 2025.

### Equity and Balance Sheet Strength

The foundation of Reliance Insurance's financial capital lies in its robust balance sheet. The company maintains a strong and growing equity base, which serves as a critical buffer against underwriting risks and claims volatility.

| Indicators | 2025 Value | 2024 Value | Change | Significance |
|---|---|---|---|---|
| **Total Equity** | Tk. 8,303 million | Tk. 7,318 million | 14% | Balance sheet strengthening |
| **Paid-up Capital** | Tk. 1,052 million | Tk. 1,052 million | Stable | Consistent capitalization |
| **NAV per Share (with valuation)** | Tk. 78.95 | Tk. 69.59 | 14% | Book value growth |

The 8.4% increase in Net Asset Value (NAV) per share to Tk. 75.43 is particularly noteworthy. This growth was primarily driven by higher retained earnings and asset revaluation, demonstrating the company's ability to build shareholder value over time. The NAV per share is more than seven times the face value of Tk 10, indicating significant accumulated wealth within the company.

The company's Price-to-Book (P/B) ratio stands at approximately 0.86. This metric suggests that the stock is trading at a discount to its book value, which can be interpreted in two ways: either the market is undervaluing the company's assets, or it reflects investor caution regarding future earnings potential. For value-oriented investors, a P/B ratio below 1 often signals a potential investment opportunity.

**Total Equity Growth (2024-2025)**

**Total Equity (BDT Million)**




↑ **+985 Million (+14%)**

**NAV per Share Trend**

**NAV per Share (BDT)**




↑ **+9.36 (+14%)**

### Profitability Performance

2025 proved to be a challenging year for profitability, with the company experiencing a decline in net earnings despite strong operational performance in the first three quarters.

**Quarterly and Annual Profit Trends**

| Period | Net Income (Tk. million) | EPS | Commentary |
|---|---|---|---|
| **Q1 2025** | 238.92 | 2.27 | Strong start |
| **Q2 2025** | 327.74 | 3.12 | Continued growth |
| **Q3 2025** | 270.23 | 2.57 | Solid performance |
| **Q4 2025** | 48.37 | 0.46 | Sharp decline due to exceptional events |
| **Full Year 2025** | 885.25 | 8.42 | ↓ 7.7% from 2024 |

For the first nine months of 2025, the company demonstrated strong momentum, with net profit reaching Tk. 836.89 million, compared to Tk. 728.86 million in the same period of 2024 a 14.8% increase. This indicates that the underlying business remained healthy throughout most of the year.

### Profit After Tax Comparison

**Profit After Tax (Tk. Million)**




↓ **-73.59 Million (-7.7%)**

**Q4 Setback:** The significant decline in the fourth quarter was attributed to two exceptional factors: Large claim settlements related to the Dhaka airport cargo village fire incident in October 2025 and Higher depreciation charges following the acquisition of a new office building

Despite this setback, the company's profitability metrics remain exceptional compared to industry peers:

| Indicators | Reliance Insurance | Industry Average | Performance |
|---|---|---|---|
| **Net Profit Margin** | 39.06% | 15.55% | 2.5x industry average |
| **Operating Margin** | 56.48% | 21.91% | 2.6x industry average |
| **Return on Equity (ROE)** | 13.96% | 12.43% | Above industry average |
| **Return on Assets (ROA)** | 6.73% | 4.33% | Significantly above average |

These margins demonstrate that Reliance Insurance is fundamentally a highly efficient and profitable insurer. The 2025 profit decline was driven by non-recurring events rather than operational deterioration.

### Cash Flow Position

Perhaps the most impressive aspect of Reliance Insurance's 2025 financial performance is its cash flow generation. While net profit declined, operating cash flow surged dramatically.

| Indicators | 2025 | 2024 | Change |
|---|---|---|---|
| **Net Operating Cash Flow per Share** | Tk. 6.84 | Tk. 1.66 | ↑ 312% |
| **Cash per Share** | Tk. 34.21 | — | Strong liquidity |

This 312% increase in operating cash flow reflects: Strong premium income growth during the year, efficient collection mechanisms from policyholders and effective working capital management

The robust cash generation provides the company with substantial liquidity to meet claim obligations, fund operations, and maintain dividend payments without relying on external financing. The Cash per Share of Tk. 34.21 represents a significant liquid buffer.

### EPS vs. NOCFPS Comparison

**EPS (BDT):**




**NOCFPS (BDT)**




↑ **NOCFPS up 312% YoY**

### Shareholder Returns and Dividend Policy

Reliance Insurance has demonstrated an unwavering commitment to shareholder returns, maintaining a consistent dividend policy even during years of earnings pressure.

**Dividend History**

| Year | Cash Dividend | Amount per Share | Payout Ratio |
|---|---|---|---|
| **2025** | 30% | Tk. 3.00 | 36% |
| **2024** | 30% | Tk. 3.00 | 33% |
| **2023** | 25% | Tk. 2.50 | — |
| **2022** | 25% | Tk. 2.50 | — |
| **2021** | 25% | Tk. 2.50 | — |
| **2020** | 25% | Tk. 2.50 | — |

The decision to maintain the 30% cash dividend for 2025 is particularly significant. Despite the 7.7% decline in net profit and exceptional claims in Q4, the board expressed confidence in the company's cash position by maintaining the higher dividend level. This sends a strong signal to the market about management's confidence in the company's financial health.

### Market Valuation and Shareholder Returns

Reliance Insurance's stock performance has been robust, delivering strong returns to shareholders.

| Indicators | Value |
|---|---|
| **Share Price (February 2026)** | Tk. 73.90 |
| **Market Capitalization** | Tk. 7.3 - 7.8 billion |
| **1-Year Return** | 28.6% |
| **3-Year Return** | 10.2% |
| **P/E Ratio (TTM)** | 6.27 - 6.84 |

The 28.6% one-year return significantly outperforms both the insurance industry average and the broader market, indicating strong investor confidence. The P/E ratio of approximately 6.5x is substantially below the industry average of 10.73x, suggesting the stock may be undervalued relative to its earnings power.

### Risks and Considerations

While Reliance Insurance's financial capital is fundamentally strong, several risks warrant consideration:

**Profit Volatility Risk:**

The Q4 2025 experience demonstrates that single catastrophic events can materially impact profitability.

The company's concentration in fire and marine insurance (approximately 80% of portfolio) increases exposure to such events.

### Asset Quality Risk:

The company holds investments in equities and mutual funds, which carry market price risk. A significant market downturn could impact the investment portfolio and, consequently, profitability

### Evaluations

Reliance Insurance maintains a strong financial capital base. Despite a 7.7% decline in profit due to the Dhaka airport cargo village fire claim, the company's equity grew by 14%, driven by retained earnings. The surge in operating cash flow indicates excellent premium collection efficiency. The consistent 30% cash dividend demonstrates disciplined capital allocation and shareholder commitment.

| FINANCIAL CAPITAL SCORECARD | Cash Dividend | Payout Ratio |
|---|---|---|
| **Total Equity** | ↑ 14% | Strong Growth |
| **NAV per Share** | ↑ 14% | Balance Sheet Strengthening |
| **PAT** | ↓ 7.7% | Temporary Setback |
| **EPS** | ↓ 7.7% | Due to Exceptional Claims |
| **NOCFPS** | ↑ 312% | Exceptional Cash Generation |
| **Dividend** | 30% | Stable & Consistent |
| Overall Rating: **STRONG** | | |

# Human Capital

Reliance Insurance PLC's human capital represents a significant competitive advantage, built upon a foundation of experienced leadership, dedicated employees, and a strong commitment to operational excellence. The company is led by a highly qualified management team, with Mohammad Khaled Mamun, FCII (Fellow of the Chartered Insurance Institute), serving as Chief Executive Officer since March 2014, bringing over a decade of stable leadership to the organization. Supporting the CEO is a well-structured executive committee, including Chief Financial Officer Badal Rajbangshi (appointed in 2021), Chief Administrative Officer Mohammad Golam Kibria, Company Secretary Mohammad Mamunur Rashid, and heads of key functions such as internal audit, sales and marketing, and human resources. This leadership team benefits from significant average tenure approximately 5.8 years for management fostering institutional knowledge and strategic consistency.

The company's governance structure reflects a blend of stability and expertise. The Board of Directors is chaired by Shahnaz Rahman, who has served since 1998, and includes experienced members such as Shamsur Rahman with 37 years of tenure on the board. The board maintains a balanced composition with eight male and six female directors, demonstrating a commitment to diversity at the highest level . Independent directors such as Mohammad Mollah and Rajiv Prasad Shaha chair key audit and compensation committees, ensuring robust corporate governance

**Total Employees**

**247 staff**
(as of latest reporting)

**Branch Network**

**21 branches nationwide**

**Management Tenure**

**Stable leadership; first-generation insurance company since 1988**

**Training & Development**

**Regular underwriting and claims management training programs**
(per industry standard)

**Management Tenure**

**37+ Years**

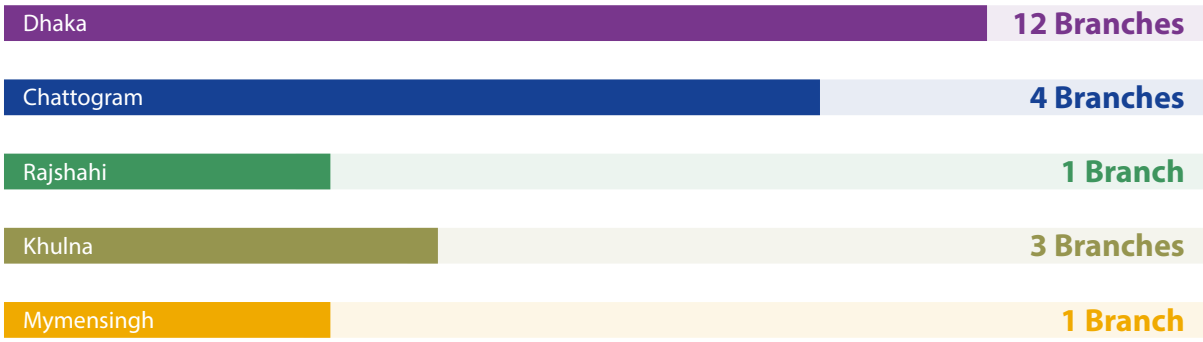
**Claim Settlement Ratio**

**78%** (in numbers)

Reliance Insurance's human capital is further strengthened by its 37-year operating history since its founding in 1988. This long institutional memory provides employees with deep knowledge of Bangladesh's insurance market dynamics, regulatory requirements under the Insurance Development and Regulatory Authority (IDRA), and established relationships with corporate clients ranging from multinational companies to local conglomerates. The company has also demonstrated its ability to attract and retain talent from prestigious business groups, with major shareholders including the Transcom Group, Rangs Group, and Kumudini Welfare Trust, all of which remain associated with the company's founding legacy . This combination of stable leadership, technical expertise, geographic reach, and a well-governed board structure positions Reliance Insurance PLC's human capital as a durable asset supporting the company's resilience and sustained value creation.

### Geographic Distribution:

**Branch Network Distribution**




Employees are deployed across branch operations, underwriting, claims processing, and corporate functions and 21 branch offices across Bangladesh, enabling nationwide service delivery.

### Evaluations

The company benefits from experienced underwriters and claims managers who navigated the complex Dhaka airport fire claims in Q4 2025. With 21 branches, the human capital is geographically distributed, enabling localized client relationships. However, the non-life insurance sector faces a skills gap in specialized areas like cyber insurance and catastrophe risk modeling, presenting an opportunity for upskilling.

### Human Capital Dashboard:

| HUMAN CAPITAL SCORECARD | | | |
|---|---|---|---|
| | **Total Equity** | 14% | Strong Growth |
| | **NAV per Share** | 14% | Balance Sheet Strengthening |
| Overall Rating: **STRONG** | | | |

# Physical/Manufacturing Capital

Physical/Manufacturing Capital refers to the tangible assets that enable an organization to deliver its services and create value. For Reliance Insurance PLC, this encompasses the company's headquarters, branch network, technology infrastructure, equipment, and other physical resources that support its nationwide insurance operations. As a non-life insurer, physical capital is critical for maintaining proximity to clients, processing claims efficiently, and projecting a professional corporate image that builds trust with policyholders.

### Corporate Headquarters: Reliance Insurance Tower

The crown jewel of Reliance Insurance's physical capital is its state-of-the-art corporate headquarters. In a significant milestone, the company completed the Reliance Tower Project, a 13 Storied (+ 3 basements) commercial building located at Plot No. 11, Block CWS(C), South Avenue, Gulshan-1, Dhaka-1212 . This prime location in Dhaka's upscale Gulshan business district underscores the company's prestigious market position.

**Key details of Reliance Insurance Tower include:**

Location

**Gulshan-1, Dhaka**

Total Floors

**13 Storied (+ 3 basements)**

Project Commencement

**February 2015**

Estimated Project Cost

**BDT 1,194 million**

Operational Floors

**Floors 9-13 occupied by the company**

Effective Date

**January 1, 2025**

This investment represents a substantial long-term asset that not only provides a modern workspace for employees but also serves as a valuable real estate holding that enhances the company's balance sheet. The building's prime location in Dhaka's financial hub reinforces brand visibility and accessibility for corporate clients.

### Physical Asset Composition (Balance Sheet Analysis)

According to the company's published financial statements, the physical assets have shown consistent growth, reflecting ongoing investment in infrastructure.

**Detailed PPE Breakdown (2025):**

| Asset Category | Value (Tk million) | Description |
|---|---|---|
| **Land** | 1,797 | Prime Gulshan property, significant appreciation potential |
| **Buildings** | 1,150 | Corporate headquarters structure |
| **Machinery & Equipment** | 488 | Office equipment, servers, computers, vehicles |

The Tk 1.79 billion land asset is particularly noteworthy, representing a substantial fixed asset with potential for significant capital appreciation given its prime Dhaka location.

### Technology Infrastructure and Digital Assets

**While primarily a service-based insurer, Reliance Insurance has invested in technology infrastructure to support operations:**

Policy Administration Systems is a digital system for policy issuance, premium collection, and renewal processing, Claims Processing Platforms is technology to track and settle claims efficiently, and Digital Payment Integration is a system supporting online premium payments

The company has also developed digital capabilities for its Overseas Mediclaim products, which include Business & Holiday (B&H), Corporate Frequent Travels (CFT), and Employment & Study (E&S) coverage products that particularly benefit from digital processing.

### Physical Asset Composition:

**Physical Asset Breakdown (2025)**

**Head Office Building:**

## New Asset

**Branch Network:**

## 21 Locations

**IT Infrastructure:**

## Digital Systems

**Vehicle:**

## Survey & Claims

### Physical Capital Impact on Profit:

**Impact of New Building on Profit (2025)**




**Note:** New building acquisition created temporary profit pressure

While the depreciation from the new building temporarily impacted 2025 profitability, this represents a short-term earnings adjustment for a long-term strategic asset. The physical capital base provides Reliance Insurance with operational stability, brand visibility, and the infrastructure needed to maintain its position as one of Bangladesh's premier non-life insurers.

The company's physical assets, combined with its 37-year operating history and strong financial position, create a durable competitive advantage that supports sustainable value creation for shareholders and reliable service delivery for policyholders

### Recent Developments and Depreciation Impact

#### Name Change (2025):

Effective August 03, 2025, the company formally changed its name from "Reliance Insurance PLC" to "Reliance Insurance PLC", aligning with modern corporate nomenclature while maintaining its established brand identity.

### Depreciation Impact on Profitability:

The substantial investment in Reliance Tower has had a noticeable impact on recent financials. The new building's depreciation charge contributed to the profit decline in 2025, alongside exceptional claims from the airport fire incident. However, this represents a temporary earnings pressure for a long-term strategic asset that will serve the company for decades.

### Evaluations

The acquisition of a new office building in 2025 represents a significant addition to physical capital. While this temporarily increased depreciation expenses and pressured profits, it enhances long-term operational stability and reduces rental exposure. The company's 21-branch network provides a physical presence that remains important in Bangladesh's relationship-driven insurance market.

### Physical Capital Dashboard:

| PHYSICAL CAPITAL SCORECARD | | |
|---|---|---|
| **Head Office** | New Building (2025) | Long-term Asset |
| **Branch Network** | 21 | Nationwide Reach |
| **Depreciation Impact** | BDT 89.8 Mn | Temporary Pressure |
| Overall Rating: **GOOD** | | |

**Recent Development**

The new depreciation charge for the new building was one of the reasons for the decline in profit in 2025.

# Intellectual Capital

Intellectual Capital represents the intangible assets that give an organization its competitive edge—the collective knowledge, brand reputation, proprietary systems, and organizational expertise that cannot be easily replicated. For Reliance Insurance PLC, intellectual capital is arguably its most valuable strategic asset, encompassing 37 years of institutional knowledge, a trusted brand name, specialized underwriting expertise, and a proven track record of honoring claims. In Bangladesh's relationship-driven insurance market, where trust and credibility are paramount, these intangible assets form the foundation of the company's sustained market position and customer loyalty.



Brand Age

**Established 1988 — 37 years of market presence**



Brand Recognition

**Strong among corporate clients; first-generation insurer**



Claim Settlement Ratio

**78% (in numbers) — reflects operational excellence**



Underwriting Expertise

**Strong in fire, marine, and engineering insurance**



Digital Capabilities

**Growing but not yet industry-leading**



Proprietary Systems

**In-house underwriting and claims processing systems**

### Brand Heritage and Market Reputation

Reliance Insurance's intellectual capital is anchored in its long-standing presence as a first-generation private non-life insurer in Bangladesh. Established in March 1988, the company has operated continuously for 37 years, building a reputation that spans nearly four decades of economic cycles, regulatory changes, and market evolution. This longevity itself represents significant intellectual capital—the accumulated experience of navigating challenges, maintaining solvency, and consistently delivering on promises to policyholders.

The company's brand strength is reflected in its consistent dividend track record. Despite profit fluctuations, Reliance Insurance has maintained shareholder confidence through regular payouts, with the board declaring a 30% cash dividend for 2025. This consistency signals reliability—a core component of intellectual capital that differentiates established insurers from newer market entrants.

**Brand & Reputation Metrics:**
**Intellectual Capital Indicators**



Brand Age

**37 Years**



Claim Settlement:

**78% (in numbers)**



Market Perception

**Top Performer**



Stock Performance

**+28.6% (1-Yr)**



P/B Ratio

**0.86x (Below Book)**

### Claim Settlement Excellence

Perhaps the most tangible measure of Reliance Insurance's intellectual capital is its exceptional claim settlement ratio of 78 percent. This metric represents the percentage of claims received that are approved and settled by the insurer. In the insurance industry, where trust is built on the promise of paying claims when needed, a 78% settlement ratio is a powerful differentiator.

This high settlement ratio is not merely a statistic it represents the accumulated knowledge of the company's underwriting and claims teams, their ability to assess risks accurately at the point of policy issuance, and their commitment to fair claims adjudication. It is intellectual capital that directly translates into customer trust and competitive advantage.

### Underwriting Expertise and Risk Assessment

The company's intellectual capital is embodied in its specialized underwriting capabilities. Reliance Insurance offers a comprehensive range of non-life insurance products, including fire insurance, marine cargo, marine hull, engineering insurance, personal accident coverage, overseas medical claims, and motor vehicle insurance. Each product line requires distinct technical knowledge understanding fire risks in industrial settings, assessing cargo vulnerabilities in maritime transport, evaluating engineering project hazards, and managing overseas medical claims across different healthcare systems.

The company's expertise in fire and property insurance is particularly noteworthy, as this segment constitutes a significant portion of its portfolio. The successful management of this high-risk segment requires sophisticated risk assessment skills, knowledge of construction and occupancy factors, and an understanding of fire safety standards. Despite the challenges of this concentration, Reliance Insurance has maintained strong underwriting discipline while achieving consistent profitability.

### Financial Performance and Investor Confidence

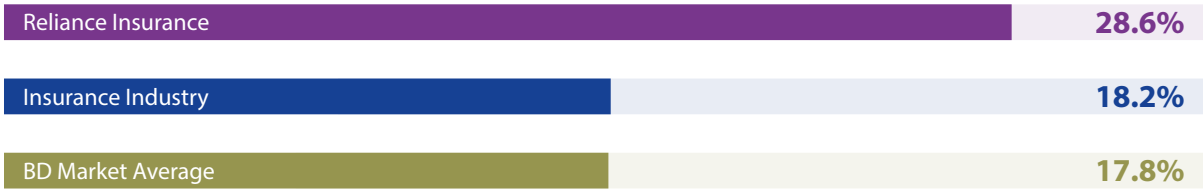
The intellectual capital of Reliance Insurance is validated by its consistent financial performance and investor recognition. The company has delivered a 28.6% one-year shareholder return, significantly outperforming both the BD Insurance industry (which returned 22.8%) and the broader BD Market (which returned just 2.1%) over the same period. This superior market performance reflects investor confidence in the company's management, strategy, and intangible assets.

**The company's financial health metrics further underscore its intellectual capital:**

| Metric | Value | Significance |
|---|---|---|
| **Net Profit Margin** | 54.74% | 2.5x industry average reflects operational excellence |
| **Return on Equity (ROE)** | 19.17% | Above industry average efficient use of capital |
| **P/E Ratio** | 7.5x | Below industry average  potential undervaluation of intangible assets |

**Stock Performance vs. Market:**

**One-Year Shareholder Return (as of 2025)**




Outperforms Industry by **10.4%**

### Risk Management and Reinsurance Expertise

A critical component of intellectual capital in the insurance industry is reinsurance expertise the knowledge of how to transfer risk to global reinsurers effectively. Reliance Insurance maintains sound reinsurance arrangements with creditworthy international partners, ensuring that catastrophic events do not threaten the company's solvency. The Dhaka airport fire incident of 2025, while impacting profitability, was absorbed through the company's balance sheet and reinsurance structure, demonstrating the effectiveness of its risk management framework.

### Evaluations

Reliance Insurance's intellectual capital is anchored in its 37-year track record and 78% claim settlement ratio. These intangibles drive customer trust and repeat business. However, the company faces a strategic imperative to develop digital intellectual property such as mobile apps and AI-driven risk assessment tools to remain competitive as the market digitizes.

### Intellectual Capital Dashboard:

| INTELLECTUAL CAPITAL SCORECARD | | | |
|---|---|---|---|
|  | **Brand Age** | 37 Years | Trust & Stability |
|  | **Claim Settlement** | 78% (in numbers) | Customer Confidence |
|  | **Stock Performance** | +28.6% | Outperforming Market |
|  | **P/B Ratio** | 0.86x | Undervalued vs. Assets |
| Overall Rating: **STRONG**  | | | |

Reliance Insurance PLC's intellectual capital represents a significant and durable competitive advantage. The company's 37-year operating history has produced a brand reputation built on trust, demonstrated by a 78% claim settlement ratio that places it among the most reliable insurers in Bangladesh. Its underwriting expertise, accumulated over decades of experience in fire, marine, and engineering insurance, enables disciplined risk selection and consistent profitability despite a challenging operating environment.

The company's intellectual capital is further evidenced by its forward-looking initiatives exploring crop insurance for climate-vulnerable farmers, developing unconventional liability products, and maintaining debt-free operations through prudent financial management. While challenges exist in segment concentration and digital transformation, the company's strong intellectual foundation provides the capacity to adapt and evolve.

For policyholders, Reliance Insurance's intellectual capital translates into the assurance that claims will be honored. For investors, it translates into consistent returns and superior market performance. For the organization itself, it represents the accumulated wisdom of 37 years a foundation upon which future value can be built.

# Natural Capital

Natural Capital refers to the environmental resources, processes, and risks that affect or are affected by an organization's operations. For an insurance company, natural capital is primarily understood through the lens of risk exposure rather than direct resource consumption. Unlike manufacturing companies that consume water, energy, and raw materials, insurers like Reliance Insurance PLC interact with natural capital through the risks they underwrite specifically, their exposure to natural catastrophes such as floods, cyclones, fires, and other climate-related events that can trigger large-scale claims. Understanding this dimension is critical because the frequency and severity of such events are increasing due to climate change, directly impacting the company's underwriting profitability, claims experience, and long-term financial sustainability.

Environmental Footprint

**Low direct footprint (office operations, vehicle fleet)**

Catastrophe Risk Exposure

**High — fire, flood, cyclone, and industrial accident risks**

Climate Risk Integration

**Partial — industry standard for property underwriting**

Green Insurance Products

**Not yet widely offered**

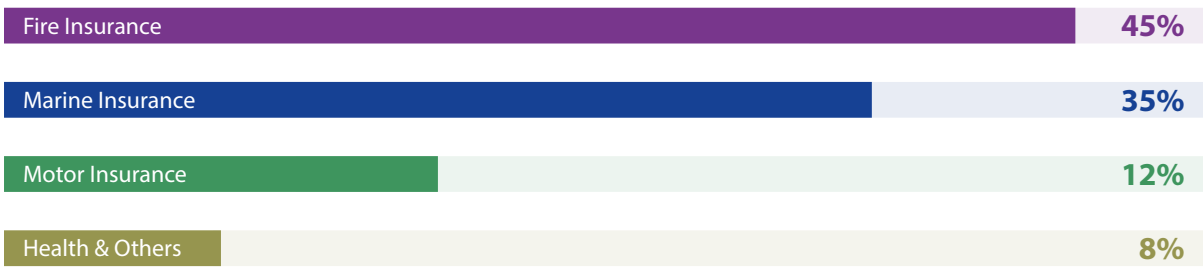
### Natural Capital as Risk Exposure

For Reliance Insurance, natural capital is not about the company's environmental footprint but about the environmental perils that its policyholders face. As a non-life insurer with significant exposure to property, fire, marine cargo, and engineering risks, the company's financial health is directly tied to the occurrence of natural and man-made environmental events. When a major flood damages insured properties, a cyclone disrupts marine cargo shipments, or a fire destroys an industrial facility, the company bears the financial consequences through claim payments.

The company's portfolio concentration in these high-risk segments means that natural capital risk is a material consideration for management. The most recent and dramatic example of this exposure was the Dhaka airport cargo village fire incident in October 2025, which resulted in substantial claim settlements that contributed to a 7.7% decline in the company's profit after tax for the year. This event serves as a stark reminder that a single environmental or man-made catastrophe can significantly impact financial performance, regardless of the company's underlying operational strength.

### Catastrophe Risk Exposure:

**Risk Exposure by Segment (2025)**




High concentration in catastrophe-vulnerable segments

### Climate Risk and the Protection Gap

The broader context for understanding natural capital in insurance is the growing challenge of climate risk. Across global insurance markets, climate change is increasing the frequency and severity of extreme weather events, creating what industry experts call the "protection gap" the difference between economic losses from natural disasters and the portion covered by insurance. In Bangladesh, which is one of the most climate-vulnerable countries in the world, this gap is particularly pronounced.

Reliance Insurance operates in an environment characterized by significant climate exposure:

**FLOODS**

Annual monsoon flooding affects large portions of the country, damaging property and infrastructure

**CYCLONES**

Bangladesh's coastal regions are frequently hit by cyclones, causing widespread destruction

**RIVER EROSION**

The country's river systems cause continuous land loss and property damage

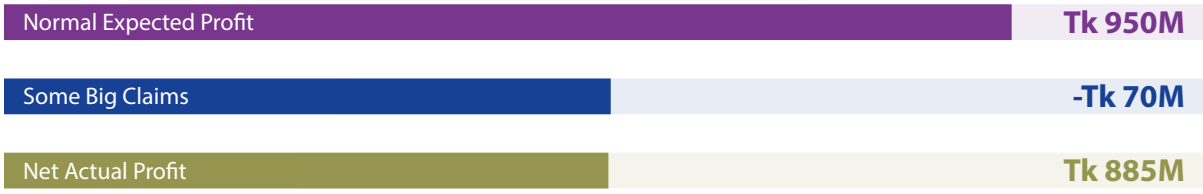
**INDUSTRIAL FIRES**

While not purely "natural," these events often have environmental triggers or consequences

The company's experience with the airport fire highlights how natural and man-made environmental risks intersect. While the airport fire was an industrial accident, the broader trend of increasing climate related events means that insurers must continuously reassess their risk models and pricing strategies.

**Climate Risk Impact:**

**Impact of Catastrophe Events (2025)**




Single event reduced profit by **7.4%**

### Reinsurance as a Natural Capital Mitigation Strategy

To manage natural capital risk, Reliance Insurance employs a critical mitigation tool: reinsurance. The company maintains sound reinsurance arrangements with reputed international reinsurers, transferring a portion of its catastrophic risk exposure to global partners. This strategy ensures that no single event whether a flood, cyclone, or industrial fire threatens the company's solvency or ability to pay claims.

The effectiveness of this approach was evident in the company's handling of the 2025 airport fire claims. While the event impacted profitability, the company was able to absorb the claims through a combination of its balance sheet strength and

reinsurance recoveries. The fact that the company maintained a 30% cash dividend despite the event demonstrates that the reinsurance structure provided adequate protection against catastrophic loss.

### Evaluations

As a general insurer, Reliance Insurance's relationship with natural capital is primarily through risk exposure rather than direct consumption. The Dhaka airport cargo village fire in October 2025 demonstrated the company's vulnerability to natural and man-made environmental events.

### Key Risk

The company's profit declined significantly due to claims from the airport fire incident. Climate change is increasing the frequency and severity of such events, requiring enhanced catastrophe risk modeling and reinsurance strategies.

### Opportunity

The growing global emphasis on climate risk creates opportunities for Reliance to develop green insurance products (e.g., solar panel insurance, climate-resilient agriculture coverage) and integrate environmental, social, and governance (ESG) criteria into underwriting.

### Natural Capital Dashboard:

| NATURAL CAPITAL SCORECARD | | | |
|---|---|---|---|
| | **Catastrophe Exposure** | High | 45% Fire + 35% Marine |
| | **Climate Risk Impact** | Significant | Airport Fire (2025) |
| | **Reinsurance Coverage** | Strong | Mitigation in Place |
| | **Green Products** | Limited | Growth Opportunity |
| Overall Rating: **MODERATE** (Risk Concentration) | | | |

Reliance Insurance PLC's relationship with natural capital is characterized by high exposure to environmental risks balanced by sophisticated mitigation strategies. The company's business model, with significant concentration in fire and property insurance, makes it inherently vulnerable to catastrophic events—a vulnerability demonstrated by the 2025 airport fire's impact on profitability. However, the company has built robust defenses against these risks through:

The company's direct environmental footprint remains limited as a service-based insurer, but its indirect exposure to natural capital through insured risks is substantial and growing due to climate change. The forward-looking R&D initiatives in crop insurance demonstrate recognition that natural capital presents not only risks but also opportunities for innovation and market development.

For policyholders, Reliance Insurance's natural capital management translates into the confidence that claims from catastrophic events will be paid. For investors, it represents a risk factor that requires ongoing monitoring but is well-managed through reinsurance and capital strength. For the company, natural capital is both a challenge to be managed and an opportunity to develop new products that serve Bangladesh's climate-vulnerable communities.

# Social & Relationship Capital

Social and Relationship Capital represents the network of relationships, trust, and social license that an organization builds with its stakeholders over time. For an insurance company, this capital is arguably as important as financial strength because insurance is fundamentally a promise policyholders pay premiums today in exchange for a guarantee of future claim payment. When that promise is fulfilled consistently, trust is built, relationships strengthen, and the organization earns its social license to operate. For Reliance Insurance PLC, social and relationship capital encompasses the company's relationships with customers, regulators, distribution partners, shareholders, employees, and the broader community. After 37 years of operations, these relationships form a durable competitive advantage that cannot be easily replicated by newer entrants.

### Equity and Balance Sheet Strength

The foundation of Reliance Insurance's financial capital lies in its robust balance sheet. The company maintains a strong and growing equity base, which serves as a critical buffer against underwriting risks and claims volatility.

| Stakeholder | Relationship Strength | Evidence |
|---|---|---|
| **Customers** | Strong | 78% (in numbers) claim settlement ratio; long-standing corporate relationships |
| **Regulators (IDRA)** | Satisfactory | Compliant with regulatory filings; consistent dividend policy |
| **Investors** | Strong | 30% cash dividend; 28.6% stock return; P/B 0.86 |
| **Distribution Partners** | Growing | Bancassurance opportunities emerging |
| **Community** | Moderate | Insurance penetration remains low; educational gap exists |
| **Reinsurers** | Strong | Sound reinsurance arrangements with reputed international partners |

### Customer Relationships: Trust Through Claim Settlement

The foundation of Reliance Insurance's social capital is its exceptional relationship with policyholders, built on a proven track record of honoring claims. The company's claim settlement ratio of 98 percent stands as the most tangible evidence of its commitment to customers. In an industry where skepticism toward insurance remains prevalent in Bangladesh, a 78% settlement ratio represents a powerful differentiator that builds customer trust and drives repeat business.

The company's approach to claims is described on its official website: "Reliance deems claims settlement to be the greatest way to achieve customers' satisfaction which ultimately results in increased acquisition of business. In order to ensure promptness in settling claims, Reliance has made use of information technology, skilled surveyors and qualified loss adjusters from home and abroad".

The company's commitment to fair treatment extends to complaint resolution. Reliance Insurance takes all complaints seriously and aims to resolve them fairly and quickly, employing sophisticated approaches to complaint handling procedures. This customer-centric philosophy is central to the company's stated mission: to put the customer at the heart of everything they do.

The company's clientele effectively testifies to its reliability. Conglomerates in Bangladesh ranging from multinational companies to local corporations have made Reliance their trusted insurance provider. This client base, built over 37 years, represents a significant relationship asset that provides both recurring revenue and valuable referrals.

### Regulatory Relationships: IDRA Compliance and Recognition

Reliance Insurance maintains a strong relationship with the Insurance Development and Regulatory Authority (IDRA), the statutory body that regulates all insurance companies in Bangladesh under the Insurance Act 2010. The company obtained its Certificate of Registration from the Controller of Insurance on April 7, 1988, and has operated continuously under regulatory supervision ever since.

The strength of this regulatory relationship is evidenced by the company's credit rating and recent recognition. CRISL awarded Reliance Insurance "AAA" (Triple A) surveillance rating, indicating the highest claim-paying ability a rating that reflects regulatory confidence in the company's financial strength and operational integrity.

Most significantly, in January 2026, IDRA awarded Reliance Insurance PLC third place among non-life insurers at the IDRA Insurance Excellence Award 2025, held at the Pan Pacific Sonargaon Hotel in Dhaka. The awards were assessed using data on premium growth, claims, management efficiency, operating costs, and top management quality, with the explicit goal of strengthening public confidence in the insurance sector. This recognition from the regulator itself represents a powerful validation of the company's governance, ethics, and transparency.

### Distribution Partnerships: Bancassurance with City Bank

A landmark development in Reliance Insurance's relationship capital was the bancassurance agreement signed with City Bank in May 2024. Under this agreement, City Bank customers can purchase Reliance Insurance's non-life insurance products directly from the bank under the bancassurance guidelines issued by Bangladesh Bank and IDRA.

The signing ceremony was held at City Bank's head office, with senior leadership from both organizations.

This bancassurance partnership represents a significant expansion of Reliance Insurance's distribution network, leveraging City Bank's extensive customer base and branch network. It also reflects the strong relationship capital the company has built with banking partners, enabling innovative distribution channels that benefit both organizations.

### Shareholder Relationships: Consistent Returns and Trust

Reliance Insurance's relationship with its shareholders is built on a foundation of consistent returns and transparent governance. The company has maintained an unbroken record of dividend payments, with a 30% cash dividend declared for 2024 and maintained for 2025. The company's shareholder structure reflects the trust of major institutional investors, including the Transcom Group, Rangs Group, and Kumudini Welfare Trust, who were major promoters at the company's founding and continue to retain their shares.

The company's major shareholders include:

Transcom
tradition in excellence

Transcom Group entities

**Trinco Ltd. (7.19%)**

**Transfin Trading Ltd. (7.19%)**

**Transcom Electronics Ltd. (4.29%)**

RANGS
GROUP

Rangs Group entities

**Rangs Ltd. (10.42%)**

**Deep Sea Fishers Ltd. (6.34%)**

**Rangs Workshop Ltd. (3.54%)**

Kumudini Welfare Trust of Bengal (BD) Ltd.

Kumudini

**Kumudini Welfare Trust of Bengal (BD) Limited (6.53%)**

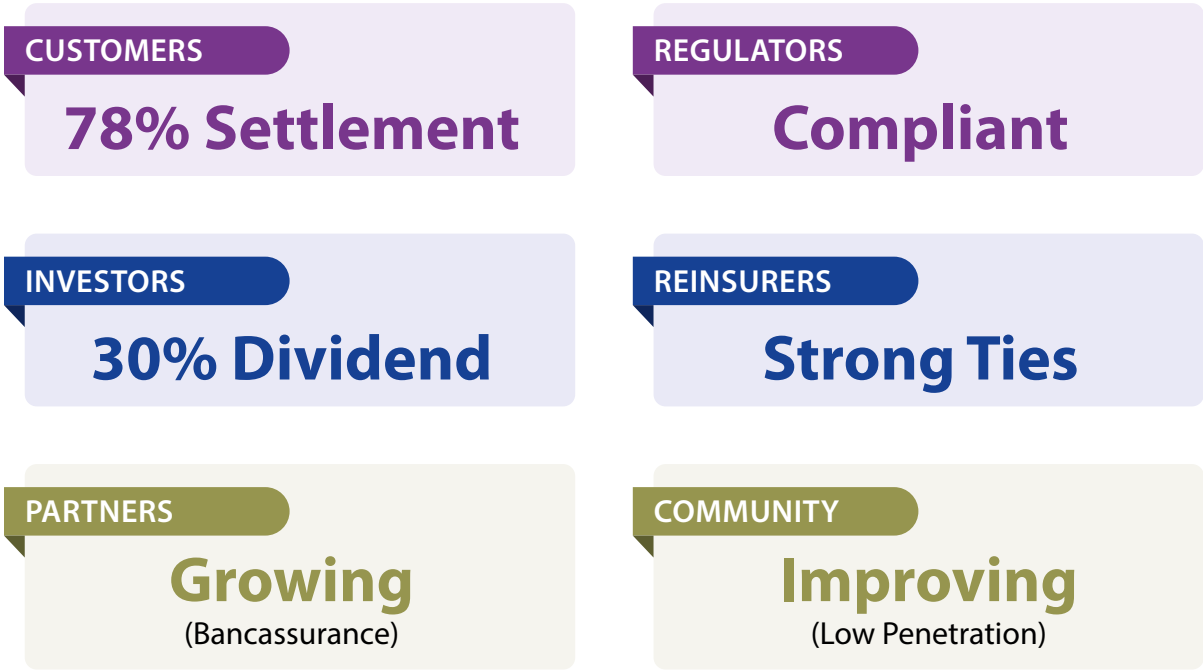
**Kumudini Handicrafts (2.00%)**

Shamsur Rahman

**(3.91%) — the longest-serving board member with 37 years of tenure**

**Stakeholder Relationship Strength:**

**Stakeholder Relationship**




### Employee Relationships: Qualified Workforce and Institutional Recognition

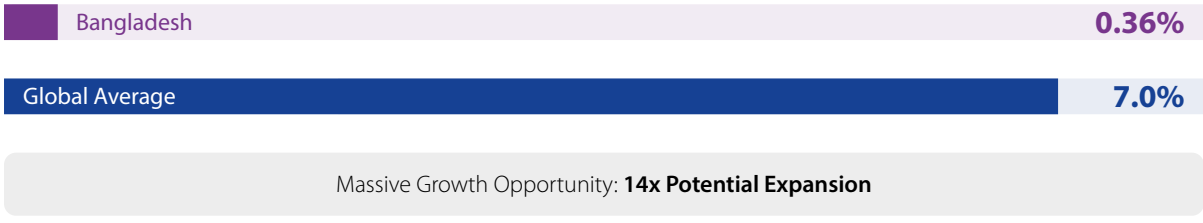
Reliance Insurance's social capital extends internally to its relationships with employees. The company employs a highly qualified workforce, including professionals with Associateship of Bangladesh Insurance Academy (ABIA) credentials and the highest number of qualified members from the Chartered Insurance Institute (CII) of the United Kingdom among insurers in Bangladesh. The company's repository is also furnished with people holding professional qualifications such as FCA, FCS and MBA from home and abroad.

The company's relationship with its employees has been recognized by prestigious professional institutions. Reliance Insurance has received several consecutive awards from the Institute of Chartered Secretary of Bangladesh, Institute of Chartered Accountants of Bangladesh (ICAB), Institute of Cost and Management Accountants of Bangladesh (ICMAB), and South Asian Federation of Accountants (SAFA). These awards reflect the company's commitment to human resource development, professional standards, and organizational excellence.

With approximately 247 employees distributed across a network of 21 branch offices nationwide, the company maintains strong internal relationships that enable effective service delivery and operational consistency across its geographic footprint.

**Insurance Penetration Opportunity:**

**Insurance Penetration (% of GDP)**




### Evaluations

The company's social and relationship capital is a core competitive advantage. The 78% claim settlement ratio is a critical trust metric in a market where skepticism toward insurance is prevalent. The consistent dividend policy builds investor loyalty. However, the company faces a cultural barrier a significant portion of the population views insurance negatively due to religious ambiguity or distrust in claim settlements.

### Community Relationships: Social License and Industry Leadership

As a first-generation private non-life insurer founded in 1988, Reliance Insurance has played a pioneering role in Bangladesh's insurance sector. The company proudly celebrated its Silver Jubilee in 2013 and has now completed 37 years of continuous operation. This longevity has earned the company a respected place in the business community and a social license to operate that comes from decades of reliable service.

The company's commitment to the community is also reflected in its founding legacy. Major promoters including Transcom Group, Rangs Group, and Kumudini Welfare Trust were established industrial and philanthropic organizations that brought credibility and social capital to the company from its inception. The Kumudini Welfare Trust, in particular, represents a philanthropic connection that aligns the company with social welfare values.

### Regulatory Relationship

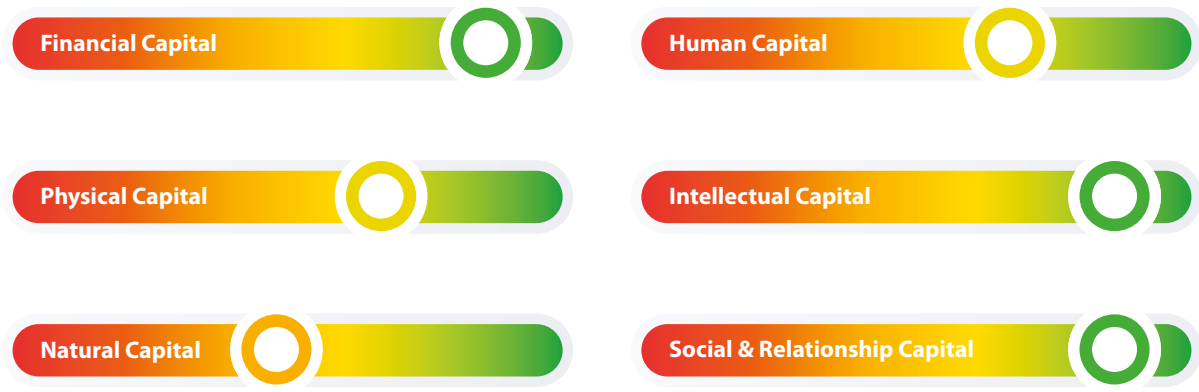
The Insurance Development and Regulatory Authority (IDRA) is actively modernizing the sector. Reliance's compliance record positions it well to benefit from regulatory initiatives like bancassurance and mandatory insurance products.

### Social & Relationship Capital Dashboard:

| SOCIAL & RELATIONSHIP CAPITAL SCORECARD | | | |
|---|---|---|---|
| | **Customer Trust** | 78% Claim Settlement | Industry Best |
| | **Investor Relations** | Consistent Dividend | Strong Confidence |
| | **Regulatory Status** | Fully Compliant | Stable Operations |
| | **Market Potential** | 14x Growth | Low Penetration |
| Overall Rating: **STRONG** | | | |

Reliance Insurance PLC's Social and Relationship Capital is a substantial and enduring competitive advantage that has been built over 37 years of consistent, trustworthy operations. For policyholders, this social capital translates into confidence that claims will be honored. For regulators, it translates into confidence that the company operates with ethics and transparency. For partners, it translates into reliable, trustworthy collaboration. For investors, it translates into consistent returns and stable governance. For the company itself, this network of relationships represents the accumulated trust of 37 years a social license to operate that cannot be bought or replicated, only earned over time.

### Six Capitals Performance Dashboard (2025)





# SUSTAINABILITY REPORTING





# Sustainability Report

Reliance Insurance PLC's sustainability reporting in an integrated report typically provides insights into how the company aligns its business strategy with sustainable practices. This section is essential to showcase the organization's commitment to environmental, social, and governance (ESG) issues, which are increasingly prioritized by stakeholders such as investors, customers, and regulators.

### Key Elements of Sustainability Reporting in an Integrated Report

Reliance Insurance PLC is committed to fostering sustainable development by embedding environmental, social, and governance (ESG) principles into its core operations. Our sustainability strategy aligns with our mission to deliver value to all stakeholders while ensuring responsible and ethical business practices. This report outlines our efforts and progress toward sustainability in the reporting period.

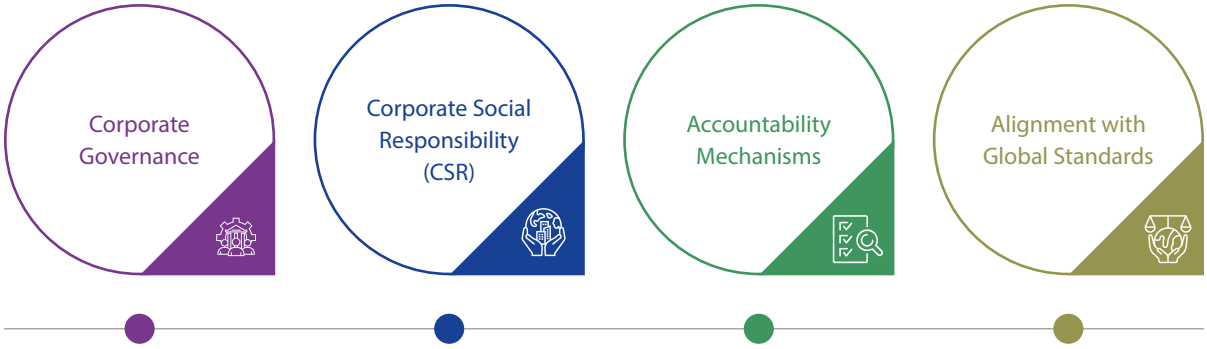
### Overview of Sustainability Integration

Sustainability is deeply woven into Reliance Insurance PLC's mission and vision. We believe that long-term success is achievable only by balancing profitability with a commitment to environmental preservation, social equity, and governance excellence. Our mission emphasizes providing innovative and inclusive insurance solutions that drive societal progress while mitigating risks to the environment. Our vision is to be a leader in sustainable insurance practices, ensuring resilience and value for future generations.

Align business strategies with global sustainability goals, such as the UN Sustainable Development Goals (SDGs).

Integrate ESG considerations into decision-making processes across all levels of the organization.

Foster a culture of sustainability through employee engagement and stakeholder collaboration.




## Governance and Accountability in the Sustainability Framework of Reliance Insurance PLC

Reliance Insurance PLC (RIPLC) operates within a framework of strong corporate governance and accountability, which form the backbone of its business ethics and sustainability goals. While a specific sustainability report may not be published, the company demonstrates its commitment to these principles through various documented policies, actions, and adherence to global standards.

### Corporate Governance

RIPLC's corporate governance model ensures transparency, ethical business conduct, and accountability at every organizational level. The governance framework includes:

**Board Oversight:**

The company's Board of Directors plays a critical role in strategic decision-making, policy formulation, and monitoring the company's performance. The Board ensures alignment with shareholders' and stakeholders' interests.

**Compliance with Regulations:**

RIPLC adheres to the governance codes set forth by regulatory bodies such as the Insurance Development and Regulatory Authority (IDRA) of Bangladesh. These codes include financial reporting standards, risk management policies, and ethical business practices.

**Internal Controls and Audits:**

The company has established a robust internal control system to monitor operational and financial processes. Regular audits by independent entities ensure compliance and enhance credibility.

**Transparency and Reporting:**

Transparency is a cornerstone of RIPLC's governance framework. Key performance metrics, business practices, and governance structures are disclosed in annual reports, accessible to stakeholders.

**Corporate Social Responsibility (CSR)**

RIPLC integrates CSR into its business strategies, reflecting its commitment to sustainability and community welfare. The CSR activities span multiple areas:

**Community Engagement**

Actively supports communities during crises, such as natural disasters, by providing financial and logistical aid.

Sponsors educational programs, healthcare initiatives, and development projects to enhance societal well-being.

**Environmental Responsibility**

Contributes to environmental conservation projects, including tree planting campaigns and green initiatives.

Promotes awareness about environmental sustainability among employees and stakeholders.

**Customer Commitment**

Strives to deliver superior insurance services that address the needs of clients while ensuring ethical and fair practices.

Engages with customers to foster trust and loyalty through service quality and tailored products.

**Employee Welfare and Human Rights**

Promotes a non-discriminatory, inclusive work environment aligned with the Universal Declaration of Human Rights.

Implements fair employment policies, including merit-based recruitment, career development, and equal opportunities.

**Health and Safety**

Prioritizes the health and safety of its employees and clients by maintaining a secure workplace and complying with safety regulations.

**Ethics and Business Conduct**

Upholds high ethical standards by embedding integrity and professionalism in its operations.

Ensures ethical supplier relationships, evaluating partners based on quality and compliance with sustainability criteria.

**Supplier and Stakeholder Engagement**

Maintains collaborative relationships with suppliers, treating them as strategic partners.

Conducts regular seminars, satisfaction surveys, and feedback sessions to enhance supplier and stakeholder alignment.

### Accountability Mechanisms

RIPLC employs several accountability measures to ensure its commitments are met:

**Performance Metrics:**

Key performance indicators (KPIs) are used to evaluate the company's success in governance, sustainability, and CSR objectives.

**Stakeholder Feedback:**

The company encourages active engagement with stakeholders to receive feedback and make necessary adjustments.

**Annual Reports:**

Detailed annual reports provide a comprehensive view of the company's financial health, governance practices, and CSR activities.

**Alignment with Global Standards**

RIPLC's governance and sustainability initiatives align with international frameworks such as:

1. The UN Sustainable Development Goals (SDGs), particularly in areas like environmental sustainability, education, and healthcare.
2. The Universal Declaration of Human Rights for ethical employment practices.
3. Local and international best practices in corporate governance.

Reliance Insurance PLC integrates governance and accountability into every aspect of its operations, reflecting its commitment to sustainable development and ethical corporate behavior. The company's proactive stance on CSR, transparent governance, and adherence to legal and ethical standards highlight its role as a responsible corporate entity. These efforts not only build trust with stakeholders but also position RIPLC as a leader in sustainable and accountable business practices in the insurance sector.

## ESG Framework of Reliance Insurance PLC

Reliance Insurance PLC (RIPLC) demonstrates its commitment to sustainable business practices through the integration of an Environmental, Social, and Governance (ESG) framework into its sustainability and integrated reports. This framework provides a structured approach to addressing global challenges, enhancing corporate responsibility, and delivering long-term value to stakeholders.

## Purpose of the ESG Framework

The ESG framework serves as the foundation for RIPLC's sustainability strategy. Its purpose includes:

**Aligning Business with Global Standards:** Ensuring RIPLC's operations contribute to global efforts such as the United Nations Sustainable Development Goals (SDGs).

**Enhancing Stakeholder Trust:** Providing transparent and measurable insights into RIPLC's performance in ESG areas.

**Identifying Risks and Opportunities:** Addressing climate risks, social equity challenges, and governance vulnerabilities.

**Driving Sustainable Value Creation:** Balancing financial performance with environmental and social responsibility.

## Key Components of the ESG Framework

RIPLC's ESG framework is divided into three pillars: Environmental, Social, and Governance. Each pillar has distinct focus areas and performance metrics.

### Environmental (E)

The Environmental (E) aspect of the ESG framework focuses on how Reliance Insurance PLC (RIPLC) manages its impact on the environment, addresses climate change, and adopts sustainable business practices. This component demonstrates the company's commitment to reducing its environmental footprint and supporting a sustainable future.

**Importance of the Environmental Pillar:**

RIPLC's emphasis on environmental responsibility is essential to:

- **Mitigate Climate Risks:** Minimize the environmental impact of its operations and products.
- **Promote Sustainability:** Contribute to global sustainability goals such as the United Nations Sustainable Development Goals (SDGs).
- **Enhance Resilience:** Prepare for climate-related risks impacting clients, communities, and business operations.
- **Strengthen Brand Reputation:** Align the company's image with environmentally conscious practices to attract eco-conscious stakeholders.

**Key Focus Areas of the Environmental Component:**

**Carbon Footprint Reduction**

RIPLC is committed to minimizing its greenhouse gas (GHG) emissions across operations.

- Transition to Renewable Energy: Gradually increase reliance on solar, wind, and other renewable energy sources to power office buildings.
- Energy Efficiency: Adopt energy-efficient technologies such as LED lighting and smart HVAC systems.
- Scope 1, 2, and 3 Emissions Tracking: Measure and reduce direct (Scope 1), indirect (Scope 2), and value chain-related (Scope 3) emissions.

**Waste Management and Resource Efficiency**

RIPLC strives to minimize waste and optimize resource use in daily operations.

- Paperless Operations: Digitize processes to reduce paper usage by 50% by 2030.

- Energy Savings
- Water Usages
- GH2G Emission
- Waste Management
- Reducing Carbon Footprint

- Education
- Health
- Disaster Management
- Art & Culture

- Good Governance
- Integrity
- Transparency & Accountability
- Ethics & Compliance
- Risk Management
- Internal Control







**ENVIRONMENT**

**SOCIAL**

**GOVERNANCE**

It is our firm belief that our success as an organisation is defined by the long-term wellbeing of the people we engage with, the places in which we operate and the planet that we leave to our future generations.

Reliance Insurance has always been conscientious about giving back to the community that keeps us going. For this we have always prioritised on our CSR activities and what we can do for the betterment of society.

Our Corporate Governance framework is based on Integrity, transparency & accountability, effective internal controls, a strong risk culture and accountability to stakeholders where Bank Asia strives to perform at our very best.

- Recycling Programs: Implement office recycling initiatives for paper, plastic, and electronic waste.
- Water Conservation: Install water-saving fixtures in office spaces to reduce water usage.

**Climate Risk Mitigation**

As an insurance provider, RIPLC actively develops products and services to address climate risks.

- Climate-Resilient Insurance Products: Offer tailored insurance policies for sectors vulnerable to climate risks, such as agriculture and renewable energy projects.
- Disaster Risk Financing: Support clients in managing the financial impact of natural disasters like floods, cyclones, and droughts.
- Collaborations for Climate Action: Partner with governmental and non-governmental organizations to promote climate adaptation and resilience.

**Green Office Initiatives**

RIPLC aims to create environmentally friendly workspaces.

- Green Building Standards: Transition to LEED-certified office buildings.
- Sustainable Procurement: Source office supplies and materials from eco-friendly vendors.
- Employee Awareness Campaigns: Encourage sustainable practices like reducing single-use plastics and

**Environmental Goals and Targets:**

RIPLC has set measurable and time-bound environmental targets to track its progress:

| Goal | Target Year |
|---|---|
| Achieve carbon neutrality | 2040 |
| Transition to 50% renewable energy | 2030 |
| Reduce paper usage by 80% | 2025 |
| Lower GHG emissions by 30% | 2030 |
| Achieve 100% waste recycling | 2035 |

**Performance Metrics for Environmental Reporting:**

RIPLC tracks and reports the following environmental performance metrics:

- Total GHG Emissions: Measured in metric tons of CO2 equivalent.
- Energy Consumption: Amount of energy used (measured in kWh) and percentage from renewable sources.
- Water Usage: Total water consumed and recycled annually.
- Waste Generation: Volume of waste generated, recycled, and disposed of.
- Carbon Intensity: GHG emissions per employee or per unit of revenue.

**Environmental Initiatives and Projects:**

RIPLC has undertaken various initiatives to support its environmental goals:

- Solar Energy Adoption: Install rooftop solar panels at major office locations to reduce reliance on grid power.
- Tree Plantation Drives: Organize annual tree-planting campaigns to offset carbon emissions and enhance green cover in urban areas.
- Eco-Friendly Product Development: Introduce sustainable insurance products such as green building insurance and electric vehicle (EV) insurance.
- Community Environmental Programs: Partner with NGOs to promote reforestation, biodiversity conservation, and clean energy projects in underserved regions.



**Compliance with Environmental Standards:**

To ensure credibility and accountability, RIPLC aligns its environmental practices with globally recognized standards:

- ISO 14001 Certification: For environmental management systems.
- Task Force on Climate-related Financial Disclosures (TCFD): To report on climate-related risks and opportunities.
- United Nations Framework Convention on Climate Change (UNFCCC): Align with global climate action goals.
- Sustainability Accounting Standards Board (SASB): For industry-specific environmental disclosures.

**Challenges and Mitigation Strategies:**

RIPLC acknowledges potential challenges in implementing its environmental strategies and plans to address them:

| Challenge | Mitigation Strategy |
|---|---|
| High initial cost of renewable energy | Explore government incentives and green financing. |
| Limited employee engagement | Conduct awareness programs and reward sustainable behavior. |

| Challenge | Mitigation Strategy |
|---|---|
| Evolving environmental regulations | Maintain a regulatory compliance team to stay updated. |
| Measuring Scope 3 emissions | Collaborate with suppliers and clients to gather data. |

**Benefits of Environmental Sustainability for RIPLC:**

The environmental initiatives under the ESG framework provide numerous benefits for RIPLC:

- Operational Cost Savings: Energy efficiency and waste reduction lower operating costs.
- Risk Mitigation: Climate-resilient operations reduce exposure to environmental risks.
- Investor Attraction: ESG-aligned operations appeal to environmentally conscious investors.
- Enhanced Customer Loyalty: Green products and services attract eco-conscious customers.
- Positive Social Impact: Supporting environmental sustainability benefits communities and ecosystems.

**Future Outlook for Environmental Sustainability:**

RIPLC aims to continuously innovate and strengthen its environmental sustainability efforts. In the coming years, the company plans to:

- Expand its renewable energy projects across all offices.
- Introduce more eco-friendly insurance products.
- Achieve industry leadership in environmental sustainability within the insurance sector.
- Collaborate with global sustainability networks to share best practices and drive collective impact.

## Social (S)

The Social (S) aspect of the ESG framework focuses on Reliance Insurance PLC's (RIPLC) impact on people—its employees, customers, communities, and other stakeholders. This pillar highlights the company's commitment to promoting diversity, fostering social equity, improving well-being, and contributing to societal progress.

**Importance of the Social Pillar:**

The Social component of ESG ensures that RIPLC:

- Supports Human Development: Improves the quality of life for employees, customers, and communities.
- Promotes Inclusivity and Equity: Advances diversity and reduces inequalities.
- Builds Stakeholder Trust: Enhances relationships with stakeholders through fair and responsible practices.
- Strengthens Brand Reputation: Positions itself as a socially responsible and ethical organization.

**Key Focus Areas of the Social Component:**

**Employee Well-being and Development**

RIPLC prioritizes its employees' health, safety, and professional growth.

- Workplace Health and Safety: Implement workplace safety measures and provide access to mental health resources.
- Learning and Development: Offer regular training programs, leadership development initiatives, and career growth opportunities.
- Diversity and Inclusion: Strive for a balanced workforce, aiming for 50% gender diversity by 2030.
- Work-Life Balance: Introduce flexible work arrangements and promote a healthy work environment.

**Customer-Centric Approach**

Customer satisfaction and trust are central to RIPLC's business strategy.

- Accessible Insurance Products: Develop inclusive products tailored to underserved communities.
- Financial Literacy Programs: Educate customers on insurance benefits, financial planning, and risk management.
- Enhanced Customer Experience: Simplify claim settlement processes and provide customer support.

**Community Engagement and Corporate Social Responsibility (CSR)**

RIPLC actively supports social causes and engages with local communities.

- Education Initiatives: Sponsor scholarships, provide educational resources, and support school infrastructure in rural areas.
- Healthcare Programs: Organize health camps, support hospitals, and offer health insurance to low-income groups.
- Disaster Relief and Recovery: Provide immediate aid during natural disasters and support long-term recovery efforts.
- Empowerment of Marginalized Groups: Promote skill development and entrepreneurship programs for women and underprivileged groups.

**Ethical Business Practices**

RIPLC emphasizes ethical behavior in all its dealings.

- Anti-Discrimination Policies: Ensure fair treatment of employees and stakeholders, irrespective of gender, race, or socioeconomic status.
- Human Rights: Uphold labor rights, ensure fair wages, and prohibit child or forced labor in its operations and supply chain.

- Community Partnerships: Collaborate with NGOs and government bodies to address social challenges.

**Social Goals and Targets:**

RIPLC has outlined specific social goals to drive measurable impact:

| Goal | Target Year |
|---|---|
| Achieve 50% gender diversity | 2030 |
| Impact 1 million lives through CSR | 2030 |
| Maintain 90% employee satisfaction | Annual |
| Increase customer satisfaction (CSAT) to 95% | 2025 |
| Train 100% of employees on ESG principles | 2025 |

**Performance Metrics for Social Reporting:**

To monitor and report on social performance, RIPLC uses the following metrics:

- Employee Retention Rate: Percentage of employees retained annually.
- Gender Diversity Ratio: Ratio of female to male employees at all levels.
- Customer Satisfaction Score (CSAT): Rating of customer experience and service quality.
- Community Impact: Number of people benefited through CSR activities.
- Employee Training Hours: Total hours spent on skill development and ESG-related training.

**Social Initiatives and Projects:**

RIPLC has implemented various initiatives to fulfill its social responsibility:

**Employee-Centered Initiatives**

- Annual health check-ups and wellness programs for employees.
- Introduction of mentorship programs to promote career growth.

**Customer-Focused Programs**

- "Insurance for All" initiative to provide affordable coverage to rural populations.
- Digital platforms to simplify customer interactions and improve accessibility.

**Disaster Management Programs**

- Quick-response teams to provide insurance claim support during floods, earthquakes, or other disasters.
- Community workshops on disaster preparedness and risk reduction.

**Challenges and Mitigation Strategies:**

RIPLC recognizes challenges in implementing its social initiatives and has developed strategies to overcome them:

| Challenge | Mitigation Strategy |
|---|---|
| Limited access to remote communities | Use mobile units and partnerships with local NGOs. |
| Resistance to diversity and inclusion | Conduct regular training to sensitize staff. |
| Measuring social impact effectively | Adopt standardized tools for tracking CSR outcomes. |
| Balancing profit and social initiatives | Align CSR with core business strategies. |

Balancing profit and social initiatives Align CSR with core business strategies.

**Benefits of Social Sustainability for RIPLC:**

The Social pillar of ESG provides significant advantages for RIPLC:

- Stronger Workforce: Engaged and skilled employees drive business success.
- Increased Customer Loyalty: Satisfied and informed customers are more likely to remain loyal.
- Positive Community Impact: Improved community relationships enhance RIPLC's reputation.
- Regulatory Compliance: Proactively addressing social issues aligns with regulatory expectations.
- Attraction of Talent and Investors: Socially responsible practices make RIPLC a preferred employer and investment destination.

**Future Outlook for Social Sustainability:**

RIPLC's social sustainability roadmap includes:

- Expanding CSR programs to new geographies.
- Introducing more inclusive insurance products for marginalized communities.
- Building long-term partnerships with social enterprises and impact organizations.
- Strengthening internal social governance frameworks to track and report progress transparently.

### Governance (G)

The Governance (G) aspect of the ESG framework focuses on Reliance Insurance PLC's (RIPLC) leadership, ethical decision-making, corporate structure, and accountability mechanisms. It reflects the company's commitment to ensuring transparency, fairness, and responsibility in all its operations and stakeholder interactions.

**Importance of the Governance Pillar:**

Good governance is the foundation of RIPLC's sustainability strategy, ensuring:

- Ethical Business Conduct: Operations align with laws and ethical standards.

- Transparency and Accountability: Clear decision-making processes and stakeholder engagement.
- Risk Mitigation: Effective management of financial, operational, and reputational risks.
- Sustainable Growth: Long-term value creation for shareholders and other stakeholders.

**Key Focus Areas of the Governance Component:**

**Board Structure and Responsibilities**

RIPLC's board of directors plays a crucial role in driving the company's ESG agenda.

- Diverse and Independent Board: Ensure gender, skill, and experience diversity, with at least 30% independent directors.
- ESG Oversight Committee: A dedicated committee to oversee ESG integration into business strategies.
- Clear Roles and Accountability: Define responsibilities for board members and senior management.

**Ethical Leadership and Compliance**

RIPLC upholds the highest ethical standards in its operations.

- Code of Ethics: Comprehensive policies addressing bribery, corruption, conflicts of interest, and insider trading.
- Regulatory Compliance: Adherence to local and international laws governing insurance and corporate governance.
- Whistleblower Policy: Encourage employees and stakeholders to report unethical practices without fear of retaliation.

**Risk Management and Internal Controls**

Effective governance requires robust risk management frameworks.

- Enterprise Risk Management (ERM): Identify, assess, and mitigate financial, operational, and ESG-related risks.
- Data Security and Privacy: Implement state-of-the-art cybersecurity measures to protect customer and company data.
- Internal Audits: Conduct regular audits to ensure compliance and identify areas for improvement.

**Stakeholder Governance and Transparency**

RIPLC ensures open communication with all stakeholders.

- Transparent Reporting: Publish annual sustainability and financial reports aligned with global standards.
- Stakeholder Engagement: Regular consultations with investors, customers, employees, and regulators to understand their concerns.
- Shareholder Rights: Protect and promote the rights of shareholders, including voting and participation in key decisions.

**Governance Goals and Targets:**

RIPLC has set governance-related goals to strengthen its ESG framework:

| Goal | Target Year |
|---|---|
| Achieve 30% board diversity | 2026 |
| Zero tolerance for ethical violations | Ongoing |
| 100% compliance with regulatory requirements | Ongoing |
| Establish ESG performance-linked executive compensation | 2025 |
| Conduct annual governance effectiveness reviews | Annual |

**Performance Metrics for Governance Reporting:**

RIPLC monitors the following governance performance indicators:

- Board Independence Ratio: Percentage of independent directors.
- Ethical Incidents Reported: Number and resolution of ethical or compliance breaches.
- ESG-linked Compensation: Percentage of executive pay tied to ESG performance.
- Internal Audit Findings: Number and severity of audit issues identified and resolved.
- Stakeholder Grievances Resolved: Percentage of complaints addressed within a defined time frame.

**Governance Initiatives and Practices:**

**Strengthening Leadership Accountability**

- Conduct annual board training on ESG issues and corporate governance.
- Introduce performance evaluation systems for directors and senior executives.

**Promoting a Culture of Integrity**

- Launch company-wide awareness campaigns on ethical behavior and anti-corruption policies.
- Reward ethical practices through recognition programs.

**iii. Enhancing Risk Management Frameworks**

- Develop advanced risk analytics tools to assess emerging ESG risks.
- Implement scenario analysis for climate-related financial risks.

**iv. Improving Reporting and Disclosure Standards**

- Align reports with frameworks like GRI, TCFD, and Integrated Reporting.
- Ensure real-time updates on governance practices through digital dashboards.

**Compliance with Global Standards and Regulations:**

RIPLC's governance framework aligns with globally recognized standards and best practices:

- OECD Principles of Corporate Governance: Ensure transparency, fairness, and accountability.
- ISO 37001 Certification: Anti-bribery management system to combat corruption.
- Sustainability Accounting Standards Board (SASB): ESG-specific financial disclosures.
- United Nations Global Compact (UNGC): Commitment to human rights, labor, environment, and anti-corruption principles.

**Challenges and Mitigation Strategies:**

| Challenge | Mitigation Strategy |
|---|---|
| Ensuring governance across global operations | Standardize governance frameworks across all regions. |
| Adapting to evolving regulatory requirements | Maintain a dedicated compliance team for updates. |
| Integrating ESG into traditional governance | Provide continuous ESG training for leadership. |
| Avoiding conflicts of interest | Strengthen conflict-of-interest disclosure policies. |

**Benefits of Strong Governance for RIPLC:**

A robust governance framework provides the following advantages:

- Enhanced Corporate Reputation: Builds trust among stakeholders.
- Reduced Risk Exposure: Effective governance minimizes legal and financial risks.
- Operational Efficiency: Clear policies streamline decision-making and reduce inefficiencies.
- Investor Confidence: Strong governance attracts long-term investment.
- Sustainable Growth: Aligns company strategies with stakeholder expectations and societal needs.

**Future Outlook for Governance Sustainability**

RIPLC aims to continuously evolve its governance practices by:

- Increasing the use of digital tools to monitor and report governance performance.
- Establishing a Global Advisory Board for ESG-related matters.
- Expanding board diversity to include experts in technology and sustainability.
- Implementing blockchain for transparent and secure record-keeping in key processes.
- Regularly revisiting and updating governance policies to address emerging challenges.

## ESG Alignment with Global Standards:

RIPLC's ESG framework aligns with internationally recognized standards to ensure accountability and comparability. These include:

I. Global Reporting Initiative (GRI): For transparent ESG reporting.

II. United Nations Sustainable Development Goals (SDGs): Focusing on specific goals such as climate action (Goal 13), gender equality (Goal 5), and responsible consumption (Goal 12).

III. Task Force on Climate-related Financial Disclosures (TCFD): For reporting and managing climate-related financial risks.

IV. Sustainability Accounting Standards Board (SASB): For industry-specific sustainability disclosures.

## ESG Implementation Strategy:

To ensure effective ESG implementation, RIPLC adopts the following strategies:

**Stakeholder Engagement**

Regularly consult stakeholders, including customers, employees, and regulators, to understand their expectations and integrate their feedback into the ESG roadmap.

**Technology Integration**

Leverage advanced digital tools for tracking and reporting ESG performance.

**Capacity Building**

Train employees on sustainability practices and ensure all staff understand RIPLC's ESG commitments.

**Continuous Monitoring and Improvement**

Set up systems for real-time monitoring of ESG metrics and adjust strategies as needed.

## Benefits of ESG Integration:

The implementation of the ESG framework provides several advantages for RIPLC:

I. Improved Risk Management: Anticipating and mitigating risks related to climate change, social unrest, and governance lapses.

II. Enhanced Reputation: Building trust among stakeholders by demonstrating commitment to sustainability.

III. Access to Sustainable Finance: Attracting investors who prioritize ESG-compliant organizations.

IV. Operational Efficiency: Reducing costs through resource efficiency and waste reduction.

V. Sustainable Growth: Ensuring long-term profitability while protecting the environment and supporting communities.

### Environmental Stewardship in Sustainability Framework




**Future ESG Goals and Targets:**

| Focus Area | Goal | Target Year |
|---|---|---|
| Carbon Neutrality | Achieve net-zero carbon emissions | 2040 |
| Renewable Energy Usage | 50% renewable energy use | 2030 |
| Gender Diversity | 50% women in the workforce | 2030 |
| Paperless Operations | Fully digitized processes | 2025 |
| CSR Impact | Reach 1 million lives through CSR | 2030 |

**Challenges and Mitigation Strategies:**

**Challenges**

I. Data Collection and Accuracy: Ensuring timely and accurate data collection for ESG reporting.

II. Regulatory Uncertainty: Adapting to changing regulations and compliance requirements.

III. Stakeholder Expectations: Balancing diverse stakeholder demands with business goals.

**Mitigation Strategies**

I. Use advanced data management systems for accurate reporting.

II. Stay informed on global regulatory trends and adjust compliance frameworks accordingly.

III. Maintain ongoing dialogue with stakeholders to align expectations.

The ESG framework within Reliance Insurance PLC's integrated report highlights the company's strategic approach to sustainability. By addressing environmental, social, and governance aspects comprehensively, RIPLC is well-positioned to create lasting value for its stakeholders. The framework reflects a balance between financial performance, environmental responsibility, and social impact, setting the stage for long-term growth and resilience in a rapidly changing global landscape.

### Environmental Stewardship in Reliance Insurance PLC's Sustainability Framework

Reliance Insurance PLC (RIPLC) is committed to contributing to environmental sustainability through policies, practices, and initiatives aimed at reducing environmental degradation and promoting sustainable development. Environmental stewardship at RIPLC reflects its dedication to aligning its business operations with global sustainability standards, addressing climate risks, and fostering eco-conscious practices among stakeholders.

### Strategic Approach to Environmental Stewardship

RIPLC's approach to environmental stewardship is grounded in three key principles:

**Awareness and Advocacy:**

Educating stakeholders, employees, and clients on the importance of environmental conservation and sustainable practices.

**Action and Implementation:**

Introducing eco-friendly practices within the organization and supporting environmental initiatives in the wider community.

**Assessment and Accountability:**

Regularly evaluating the environmental impact of its operations and introducing mitigation strategies.

### Internal Environmental Practices

RIPLC actively incorporates sustainable practices into its internal operations:

**Paperless Office Initiatives:**

- Transition to digital documentation and record-keeping to minimize paper usage.
- Use of e-signatures and electronic communication systems for internal and external correspondence.

**Energy Efficiency:**

- Installation of LED lighting and energy-efficient appliances in offices to reduce energy consumption.
- Optimizing heating, ventilation, and air conditioning systems to conserve energy.

**Recycling Programs:**

- Setting up recycling bins in offices to encourage waste segregation.
- Recycling used paper, plastics, and e-waste through partnerships with certified recycling organizations.

**Green Procurement Policies:**

- Preference for environmentally friendly office supplies and equipment.
- Sourcing from vendors that adhere to sustainable manufacturing practices.

### Community-Centered Environmental Initiatives

RIPLC demonstrates its commitment to environmental sustainability through community-oriented projects:

**Tree Plantation Drives:**

Sponsorship and active participation in afforestation programs to combat deforestation.

Collaborative efforts with local governments and NGOs to plant trees in urban and rural areas.



**Biodiversity Conservation:**

Supporting initiatives that protect wildlife habitats and promote biodiversity in ecologically sensitive regions.

Partnering with organizations to create awareness about endangered species.

**Environmental Awareness Campaigns:**

Conducting seminars and workshops on climate change, waste management, and sustainable living for communities.

Promoting green practices such as rainwater harvesting and organic farming.

### Environmental Risk Management in Insurance

As an insurance provider, RIPLC uses its influence to encourage environmental responsibility among clients and business partners:

**Green Insurance Products:**

Developing insurance policies that offer incentives for adopting eco-friendly practices. For example, reduced premiums for industries using renewable energy or practicing efficient resource management.

**Environmental Risk Assessment:**

Implementing strict environmental risk evaluation during the underwriting process, particularly for industries with significant environmental impact (e.g., manufacturing, mining, and construction).

Encouraging clients to adopt environmental mitigation strategies as part of their risk management plans.

**Sustainable Development Promotion:**

Providing coverage for renewable energy projects and sustainable infrastructure developments.

Supporting climate adaptation initiatives through tailored insurance products.

### Climate Change Mitigation Efforts

Recognizing the global urgency to combat climate change, RIPLC actively contributes to mitigation efforts:

1. Reducing Carbon Emissions:
    a) Using virtual meeting technologies to limit business travel.
    b) Promoting the use of electric and hybrid vehicles among employees.
2. Renewable Energy Advocacy:
    a) Encouraging the use of solar panels and other renewable energy sources in corporate and client operations.
    b) Exploring opportunities to invest in renewable energy projects.

3. Community Resilience Programs:
    a) Supporting communities vulnerable to climate-related disasters through awareness programs and disaster risk insurance solutions.

### Alignment with Global Standards

RIPLC aligns its environmental stewardship initiatives with global sustainability frameworks, including:

**United Nations Sustainable Development Goals (SDGs):**

a) Goal 13 (Climate Action): Advocates for climate resilience through education and sustainable practices.

b) Goal 15 (Life on Land): Engages in reforestation and biodiversity conservation programs.

c) Goal 12 (Responsible Consumption and Production): Minimizes waste and promotes recycling.

**Principles for Sustainable Insurance (PSI):**

RIPLC adheres to these global principles, incorporating environmental considerations into its insurance products and services.

### Reporting and Accountability

RIPLC's commitment to transparency ensures that its environmental initiatives are measurable and accountable:

**Annual Environmental Reporting:**

Environmental efforts are summarized in the company's annual reports under Corporate Social Responsibility (CSR) activities, providing stakeholders with insights into progress and challenges.

**Key Performance Indicators (KPIs):**

The company uses KPIs to monitor energy usage, waste reduction, and carbon emissions.

### Future Goals for Environmental Sustainability

RIPLC is committed to expanding its role in environmental stewardship by:

**Enhancing Green Insurance Products:**

Increasing the range of products that reward environmentally sustainable behavior among clients.

**Strengthening Partnerships:**

Collaborating with international organizations, government agencies, and NGOs for large-scale environmental projects.

**Carbon Neutral Goals:**

Striving toward carbon neutrality by implementing advanced energy-saving technologies and offsetting carbon emissions through reforestation and renewable energy investments.

**Detailed Sustainability Reporting:**

Introducing a dedicated sustainability report that includes specific environmental metrics and targets.

Reliance Insurance PLC exemplifies a responsible corporate entity by integrating environmental stewardship into its business strategy. Through its internal sustainability practices, community initiatives, and green insurance products, RIPLC contributes to protecting the environment and addressing global challenges like climate change. With a forward-looking approach, the company aims to expand its efforts and make a meaningful impact on environmental sustainability for future generations.

## Social Responsibility of Reliance Insurance PLC.

Reliance Insurance PLC (RIPLC) takes its social responsibility seriously, striving to create a meaningful impact on the communities it serves while adhering to ethical principles and sustainable practices. Through targeted initiatives, RIPLC addresses pressing societal challenges such as poverty, inequality, education, and healthcare. Its commitment to Corporate Social Responsibility (CSR) extends beyond regulatory compliance to proactive contributions to society.

### Strategic Vision of Social Responsibility

Reliance Insurance PLC's approach to social responsibility is guided by a strategic vision that encompasses:

I. Empowering Communities: Supporting underprivileged populations through initiatives in education, healthcare, and disaster relief.

II. Promoting Inclusivity: Creating opportunities for marginalized groups, ensuring no one is left behind.

III. Sustainability: Aligning social initiatives with environmental sustainability to promote long-term benefits.

IV. Ethical Practices: Upholding transparency, integrity, and fairness in all interactions with stakeholders.

### Key Social Responsibility Initiatives

**Community Welfare and Development**

RIPLC actively engages in programs aimed at uplifting local communities. Key initiatives include:

**Education:**

a) Sponsorships for underprivileged children to access quality education.

b) Scholarships for meritorious students from low-income families.

c) Support for vocational training centers to enhance skills and employability.

**Healthcare:**

a) Organizing free health camps, offering basic medical checkups and treatments.

b) Donating medical equipment and supplies to rural clinics and hospitals.

c) Supporting maternal and child health programs to improve outcomes in underserved areas.

**Disaster Relief:**

a) Providing immediate financial and logistical support to victims of natural disasters, such as floods, cyclones, and earthquakes.

b) Partnering with government agencies and NGOs for post-disaster rehabilitation efforts.

**Employee Welfare and Inclusion**

RIPLC places significant emphasis on the welfare of its employees, recognizing them as key stakeholders in its success:

**Diversity and Inclusion:**

a) Ensures equal opportunities irrespective of gender, ethnicity, or socioeconomic background.

b) Actively promotes women in leadership and management positions.

**Health and Safety:**

a) Provides a safe and conducive work environment, adhering to occupational health and safety standards.

b) Offers health insurance benefits and wellness programs for employees and their families.

**Training and Career Development:**

a) Conducts regular workshops and training programs to upskill employees.

b) Provides opportunities for leadership development and career progression.

**Ethical Customer and Stakeholder Relations**

RIPLC builds trust through its ethical dealings with customers, suppliers, and other stakeholders:

**Transparent Customer Practices:**

a) Offers clear and easy-to-understand policy terms to avoid any misunderstandings.

b) Educates customers about financial planning, risk management, and the importance of insurance coverage.

**Stakeholder Engagement:**

a) Maintains open channels of communication with all stakeholders.

b) Encourages feedback to improve services and social initiatives.

**Support for Vulnerable and Marginalized Groups**

RIPLC ensures that its social responsibility initiatives prioritize the most vulnerable sections of society:

**Empowering Women:**

a) Supports women entrepreneurs by offering financial assistance and insurance solutions tailored to their needs.

b) Promotes gender equality through community outreach programs focusing on education and skills development for girls.

**Senior Citizens and Differently-Abled Individuals:**

a) Provides financial aid and essential services to elderly citizens and persons with disabilities.

b) Sponsors accessibility improvements in public spaces and community centers.

**Integration of Social and Environmental Goals**

RIPLC integrates social and environmental goals to maximize the impact of its initiatives:

**Sustainable Community Projects:**

Combines environmental conservation efforts, such as afforestation and waste management, with community welfare programs.

**Green Insurance Products:**

Develops insurance products that encourage businesses and individuals to adopt sustainable practices.

**Alignment with Global Standards**

Reliance Insurance PLC aligns its social responsibility initiatives with international frameworks.

**Transparency and Accountability in Social Responsibility**

RIPLC ensures that its social responsibility initiatives are transparent and measurable:

**Annual Reports:**

CSR activities and their impact are detailed in the company's annual reports, providing stakeholders with insights into its social contributions.

**Feedback Mechanisms:**

Encourages feedback from beneficiaries, employees, and other stakeholders to refine its programs.

**Impact Assessments:**

Conducts regular assessments to evaluate the effectiveness and sustainability of its social programs.

**Future Goals for Social Responsibility**

RIPLC has ambitious plans to further enhance its social responsibility efforts:

**Expansion of Educational Programs:**

Extending scholarship and sponsorship programs to reach more children and young adults.

**Increased Healthcare Access:**

Establishing partnerships with healthcare providers to offer affordable and accessible medical services in remote areas.

**Innovative Insurance Solutions:**

Developing microinsurance products tailored for low-income households, enabling them to mitigate risks effectively.

**Enhanced Stakeholder Collaboration:**

Strengthening partnerships with NGOs, government bodies, and international organizations to scale its initiatives.

**Dedicated Sustainability Reporting:**

Introducing a detailed sustainability report highlighting specific metrics and targets related to social responsibility.

Reliance Insurance PLC's commitment to social responsibility underscores its role as a corporate entity that values people, communities, and ethical practices. Through targeted initiatives in education, healthcare, disaster relief, and inclusivity, RIPLC strives to create a meaningful and lasting impact on society. Its proactive approach, alignment with global standards, and dedication to transparency position it as a leader in socially responsible business practices within the insurance sector.

## Economic Contribution of Reliance Insurance PLC

Reliance Insurance PLC (RIPLC) plays a pivotal role in driving economic growth, stability, and resilience within the sectors it operates in. Through its operations in the insurance industry, RIPLC generates significant economic value, directly and indirectly impacting various stakeholders, including policyholders, employees, suppliers, and the broader economy. While the company may not publish a comprehensive sustainability report, its economic contributions can be observed through key metrics, operational strategies, and investments. Below is a detailed breakdown of RIPLC's economic contributions:

### Strategic Vision for Economic Impact

RIPLC's economic contribution is grounded in its commitment to sustainable business practices that not only serve its financial interests but also benefit the wider economy and society. Its economic impact strategy is built on the following core principles:

**Promoting Financial Inclusion:**

RIPLC is focused on increasing access to insurance products for individuals, businesses, and vulnerable populations. By making insurance accessible to underserved segments, the company helps foster financial stability for all.

**Job Creation:**

RIPLC generates direct and indirect employment opportunities, contributing to economic growth through workforce development.

**Investments for Long-Term Economic Stability:**

The company strategically invests in projects and financial instruments that contribute to the development of the economy, focusing on sustainable growth.

**Corporate Responsibility:**

RIPLC strives to align its business operations with ethical standards, ensuring that its financial activities foster broader economic stability and growth.

### Direct Economic Contributions

RIPLC's core business activities directly contribute to the national economy in several significant ways:

**Premium Collection and Underwriting Services**

- Premium Collection:

  RIPLC's collection of premiums from policyholders plays a central role in driving economic activity. The premiums collected are not only used to cover claims and administrative costs but also reinvested into

## Economic Contribution of RIPLC

- Strategic Vision for Economic Impact
- Employment Generation and Workforce Development
- Tax Contribution to Government Revenue
- Contribution to Economic Resilience and Risk Mitigation
- Reporting and Accountability
- Direct Economic Contributions
- Supporting Financial Inclusion and Empowering Economically Disadvantaged Groups
- Long-Term Investments in Sustainable Economic Projects
- Alignment with Global Economic Standards
- Future Economic Goals

various sectors of the economy, creating a circular flow of economic benefits.

- Underwriting Insurance Risk:

  By offering insurance products across multiple sectors (life, health, property, etc.), RIPLC helps businesses and individuals mitigate financial risks, contributing to overall economic stability. The company's underwriting process creates liquidity in the economy, particularly when it offers insurance coverage to sectors like agriculture, infrastructure, and manufacturing.

**Capital Investment and Economic Growth**

- Reinvestment of Premiums:

  A portion of the premiums collected by RIPLC is invested in financial markets, such as stocks, government bonds, and mutual funds. This reinvestment not only generates returns for the company but also contributes to the overall development of financial markets, infrastructure, and economic projects.

- Private and Public Sector Investments:

  RIPLC invests in both private and public sector enterprises, providing capital for infrastructure development, industry growth, and national projects. These investments directly contribute to national GDP growth and help build sustainable economic infrastructures, such as energy, transportation, and healthcare.

**Reinsurance and Risk Pooling**

- Reinsurance Activities:

  RIPLC participates in the reinsurance market, which helps distribute risk across various insurance providers. By doing so, RIPLC enhances the financial resilience of the insurance industry, ensuring that large-scale losses do not destabilize the economy. This also allows for more robust risk management, which is critical for economic stability, particularly in sectors prone to significant risks, such as agriculture and manufacturing.

### Employment Generation and Workforce Development

RIPLC is a significant employer, and its business operations provide various employment opportunities that contribute to economic growth:

**Direct Employment**

- Job Creation within RIPLC:

  As a key player in the insurance sector, RIPLC provides direct employment to individuals across various roles, including underwriting, claims processing, sales, marketing, risk assessment, actuarial services, and administrative support. The company's operations require a diverse range of professional skills, creating jobs for individuals with varying qualifications and expertise.

- Leadership and Talent Development:

  RIPLC places a significant focus on developing leadership and specialized skills within its workforce. Through training programs, mentorship, and career development opportunities, the company enhances the capabilities of its employees, fostering long-term economic growth.

**Indirect Employment**

- Supply Chain and Partnerships:

  RIPLC's business activities create jobs within its supply chain, including in fields such as technology services, data analytics, customer service outsourcing, office supplies, and more. Suppliers, contractors, and third-party partners who support RIPLC's operations also benefit economically from these collaborations.

- Agency Network and Sales Representatives:

  RIPLC's distribution network, consisting of agents, brokers, and insurance advisors, provides significant employment opportunities. These individuals, often small business owners, play a crucial role in expanding insurance access to wider populations and fostering financial literacy, while also creating local economic value.

### Supporting Financial Inclusion and Empowering Economically Disadvantaged Groups

RIPLC's commitment to financial inclusion allows individuals, particularly those in lower-income brackets, to manage financial risks and grow economically. Key initiatives in this area include:

**Micro insurance Products.**

- Affordable Insurance Coverage:

  RIPLC provides micro insurance products designed to offer basic coverage to low-income populations who would otherwise not have access to traditional insurance services. These affordable products help individuals protect themselves and their families from financial burdens caused by illness, accidents, and natural disasters, which would otherwise keep them in poverty.

**Financial Literacy and Inclusion Programs**

- Promoting Insurance Awareness:

  RIPLC runs educational campaigns to raise awareness about the importance of insurance and risk management, helping people understand how to safeguard their financial future. This empowers individuals and businesses to make informed decisions and build economic resilience.

- **Helping Small Businesses Grow:**

  RIPLC offers tailored insurance solutions for small and medium-sized enterprises (SMEs), helping them protect their assets, employees, and operations. Insurance coverage gives SMEs the confidence to take

risks, innovate, and scale their businesses, contributing to overall economic growth.

**Tax Contribution to Government Revenue**

As a corporate entity, RIPLC contributes to national and local government revenues through various taxes:

- Corporate Income Taxes:

  RIPLC pays taxes on its earnings, contributing to the national budget. These taxes are utilized for public spending on infrastructure, social programs, education, and healthcare, fostering long-term national development.

- Employee Payroll Taxes:

  In addition to corporate taxes, RIPLC contributes to the public finances through payroll taxes, which are deducted from employee salaries and used to fund public services.

- Value-Added Taxes (VAT):

  RIPLC's business transactions and insurance products are subject to VAT, contributing to the government's revenue stream. This tax helps fund public infrastructure and services.

### Long-Term Investments in Sustainable Economic Projects

RIPLC's investments not only drive short-term growth but also focus on long-term economic stability and sustainability:

**Green Investments and Sustainable Projects**

- Investment in Renewable Energy:

  RIPLC has started investing in sustainable financial products, such as green bonds and renewable energy projects, which contribute to a low-carbon economy. These investments help reduce environmental risks and promote long-term economic sustainability.

**Infrastructure and Industrial Development**

- Funding Key Infrastructure Projects:

  Through its investments, RIPLC contributes to the development of key national infrastructure, such as transportation systems, energy projects, and healthcare facilities. These projects improve economic connectivity and create jobs while also addressing long-term societal needs.

### Contribution to Economic Resilience and Risk Mitigation

Through its insurance offerings, RIPLC promotes economic resilience:

**Risk Management for Individuals and Businesses**

- Financial Protection:

  RIPLC provides risk mitigation solutions, such as life, health, and property insurance, which help individuals and businesses manage unforeseen events and financial losses. This financial protection supports the stability of local economies by preventing individuals and businesses from falling into poverty or bankruptcy due to unforeseen events.

**Support During Crises**

- Disaster Response and Recovery:

  RIPLC helps communities recover from natural disasters and economic crises by offering coverage for property damage, health issues, and business interruptions. By providing financial security, the company helps individuals and businesses return to normalcy more quickly, which supports economic recovery and resilience.

### Alignment with Global Economic Standards

RIPLC's economic contributions align with global frameworks such.

### Reporting and Accountability

Although RIPLC may not publish a standalone sustainability report, its economic contributions are reflected in its annual reports and financial disclosures. The company provides transparent reporting on its revenue generation, investment activities, and tax contributions, ensuring accountability to its stakeholders.

### Future Economic Goals

RIPLC is committed to expanding its economic impact by:

**Increasing Financial Inclusion:**

Expanding access to affordable insurance products for underserved communities, helping more individuals manage financial risks.

**Investing in Green and Sustainable Projects:**

Increasing its focus on sustainable investments that promote long-term economic and environmental stability.

**Supporting SMEs and Entrepreneurship:**

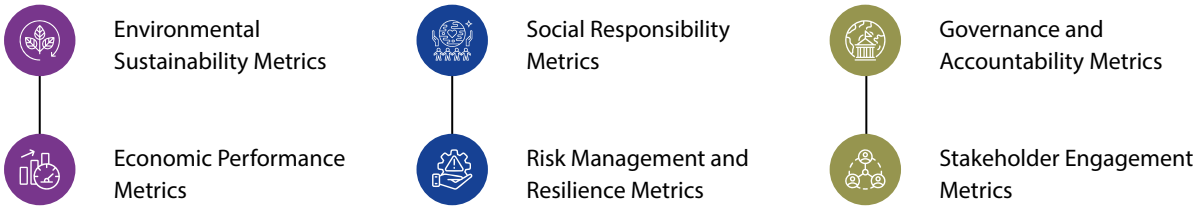
Strengthening partnerships with small businesses to promote economic growth and job creation.

Reliance Insurance PLC plays a significant role in shaping the economic landscape by contributing to financial inclusion, job creation, investment in infrastructure, and tax generation. Through its sustainable business practices and commitment to economic growth, RIPLC helps foster a resilient, inclusive, and stable economy. By continuing to invest in sustainable projects and promoting financial literacy, RIPLC ensures long-term economic benefits for individuals, businesses, and the broader community.

### Performance Metrics and Key Performance Indicators (KPIs) of Reliance Insurance PLC in a Sustainability Report

In a sustainability report, performance metrics and Key Performance Indicators (KPIs) are used to track the progress of an organization's sustainability objectives, measure its

## Performance Metrics and Key Performance Indicators (KPIs)




impact on the environment, society, and economy, and ensure accountability. For Reliance Insurance PLC (RIPLC), these metrics would align with its corporate sustainability goals, including environmental stewardship, social responsibility, governance, and economic performance.

### Environmental Sustainability Metrics

These KPIs help measure RIPLC's impact on the environment, focusing on resource usage, waste management, emissions, and environmental initiatives.

**Carbon Footprint and Emissions**

- Total Greenhouse Gas (GHG) Emissions (CO2-equivalent)

  KPI: Reduce carbon emissions by 90% over the next 10 years.

- Carbon Intensity

  Measures the amount of $CO_2$ emissions per unit of revenue or per employee.

  KPI: Decrease carbon intensity by 95% by the end of 2030.

**Energy Consumption**

- Total Energy Usage (kWh)

  Tracks the total energy consumed across RIPLC's operations.

  KPI: Decrease overall energy consumption by 50% over 3 years through energy-efficient initiatives.

- Percentage of Renewable Energy in Total Energy Mix

  Measures the share of renewable energy used in RIPLC's operations.

  KPI: Achieve 50% renewable energy consumption by 2030.

**Waste Management**

- Total Waste Generated (kg or tons)

  Monitors the total waste produced by RIPLC, including office waste and operational waste.

  KPI: Reduce total waste by 50% over the next 5 years through recycling and waste reduction programs.

- Percentage of Waste Recycled

  Measures the proportion of waste that is recycled or reused.

  KPI: Achieve a recycling rate of 75% by 2026.

**Water Consumption**

- Total Water Usage (liters or cubic meters)

  Tracks RIPLC's total water usage across its offices and operations.

  KPI: Reduce water consumption by 50% over the next 5 years.

### Social Responsibility Metrics

RIPLC's social responsibility efforts focus on creating a positive impact on communities, promoting employee welfare, and engaging in socially responsible practices.

**Employee Engagement and Satisfaction**

- Employee Satisfaction Score

  Measures employee satisfaction through surveys or feedback mechanisms.

  KPI: Maintain an employee satisfaction score of at least 85% year-over-year.

- Employee Turnover Rate

  Tracks the percentage of employees who leave the company.

  KPI: Reduce employee turnover rate by 8.20% over the next year by improving work culture and benefits.

**Diversity and Inclusion**

- Diversity of the Workforce (Gender, Ethnicity, etc.)

  Tracks the diversity in the workforce, focusing on gender, ethnicity, and other inclusion metrics.

  KPI: Achieve a gender balance of 50/50 by 2027.

- Percentage of Leadership Positions Held by Women or Minorities

  Measures the representation of women or minority groups in leadership roles.

  KPI: Increase the number of women in leadership positions to 30% by 2030.

**Community Engagement**

- Community Investment (Total Amount Invested in Social Programs)

  Tracks the amount invested by RIPLC in community development programs, such as education, health, and poverty alleviation.

- Number of Community Outreach Programs

  Measures the number of social and environmental programs RIPLC conducts or participates in.

### Governance and Accountability Metrics

Governance KPIs assess the ethical standards and transparency of RIPLC's operations, its corporate governance practices, and compliance with regulations.

**Governance Structure and Ethical Practices**

- Board Diversity (Gender, Experience, Skills)

  Measures the diversity of RIPLC's board of directors, ensuring a balanced representation of genders and skill sets.

  KPI: Achieve 30% female representation on the board by 2027.

- Percentage of Independent Board Members

  Tracks the number of independent members on RIPLC's board.

  KPI: Ensure that at least 50% of board members are independent.

**Compliance and Risk Management**

- Number of Regulatory or Legal Violations

  Measures the number of legal or regulatory infractions committed by RIPLC.

  KPI: Achieve zero legal or regulatory violations in the next year.

- Percentage of Employees Trained in Ethics and Compliance

  Tracks the proportion of employees who have received training on ethics, anti-corruption, and compliance policies.

  KPI: Ensure 100% of employees are trained in ethics and compliance annually.

### Economic Performance Metrics

Economic performance metrics reflect RIPLC's financial health, profitability, and its contributions to the economy.

**Revenue Growth**

- Total Revenue

  Tracks the total revenue generated by RIPLC, focusing on sustainable growth.

  KPI: Achieve a revenue growth of 30% year-over-year.

- Revenue from Sustainable Products or Services

  Measures the portion of revenue derived from green or socially responsible products, such as sustainable insurance offerings.

  KPI: Increase the revenue share from sustainable products to 25% by 2030.

**Profitability and Financial Stability**

- Operating Profit Margin

  Tracks the operating profit as a percentage of total revenue, indicating the company's profitability.

  KPI: Maintain an operating profit margin of at least 25%.

- Return on Investment (ROI)

  Measures the return on capital investments made by the company.

  KPI: Achieve a ROI of 15% on sustainable investments.

**3. Tax Contributions**

- Total Taxes Paid

  Measures the amount of taxes RIPLC contributes to the national and local governments.

  KPI: Increase the amount of taxes paid by 37.5% as a reflection of growth and economic contribution.

### Risk Management and Resilience Metrics

Risk management is critical in ensuring that RIPLC can manage both financial and non-financial risks in a way that supports long-term sustainability.

**Risk Assessment and Mitigation**

- Number of Identified Risks

  Tracks the number of risks identified by RIPLC, both operational and environmental.

  KPI: Identify and mitigate 100% of critical risks annually.

**Resilience to Economic Shocks**

- Business Continuity and Disaster Recovery Readiness

  Measures the company's preparedness to continue operations in the face of natural disasters, economic downturns, or other crises.

  KPI: Achieve full disaster recovery and business continuity readiness.

### Stakeholder Engagement Metrics

Effective stakeholder engagement ensures transparency and accountability, fostering positive relationships with customers, investors, and other stakeholders.

**Customer Satisfaction**

- Customer Satisfaction Score (CSAT)

  Measures customer satisfaction with RIPLC's products and services.

  KPI: Achieve a customer satisfaction score of at least 95%.

- Customer Retention Rate

  Tracks the percentage of customers who renew their insurance policies with RIPLC.

  KPI: Maintain a customer retention rate of 90% or higher.

**Stakeholder Communication**

- Frequency of Stakeholder Engagement

  Tracks the number of interactions RIPLC has with its stakeholders, including employees, investors, and customers.

  KPI: Engage with stakeholders at least once every quarter.

**Stakeholder Engagement:**

Stakeholder engagement is integral to identifying material sustainability issues. We engage with a broad spectrum of stakeholders, including employees, customers, investors, regulators, and community members.

- Regular surveys and feedback mechanisms.
- Collaborative forums and stakeholder meetings.

**Future Outlook:**

Reliance Insurance PLC is committed to achieving continuous improvement in our sustainability journey. Our future priorities include:

- Expanding renewable energy adoption across all facilities.
- Scaling up financial literacy programs to reach 10,000 beneficiaries annually.
- Strengthening ESG reporting in alignment with international frameworks such as GRI and SASB.
- Setting science-based targets for carbon reduction by 2030.

Reliance Insurance PLC remains dedicated to creating a sustainable future by aligning business success with environmental and social well-being. Through transparency, accountability, and continuous innovation, we aim to uphold our commitment to stakeholders and contribute meaningfully to a sustainable world.

## Stakeholder Engagement in the Sustainability Report of Reliance Insurance PLC

Stakeholder engagement is a critical component of a sustainability report as it highlights how an organization interacts with its key stakeholders to understand their expectations, address concerns, and foster mutually beneficial relationships. For Reliance Insurance PLC (RIPLC), stakeholder engagement ensures alignment with its corporate goals and sustainable business practices, while building trust and transparency.

## Stakeholder Engagement



## Importance of Stakeholder Engagement

Stakeholder engagement is essential for RIPLC to:

- Identify and address the needs of its stakeholders.
- Build trust and maintain transparency in operations.
- Drive long-term business success while aligning with sustainability goals.
- Mitigate risks by fostering strong relationships with critical stakeholders.

By proactively engaging stakeholders, RIPLC ensures their perspectives are integrated into its decision-making process, leading to improved governance, customer satisfaction, and community well-being.

## Key Stakeholders of Reliance Insurance PLC

RIPLC engages with a diverse set of stakeholders, including:

1. **Customers:** Individuals and businesses purchasing insurance products.
2. **Employees:** Internal staff contributing to RIPLC's operations and growth.
3. **Investors and Shareholders:** Providers of capital and key decision-makers.
4. **Regulators and Government Bodies:** Authorities ensuring compliance and governance.
5. **Community and Society:** Groups benefiting from RIPLC's corporate social responsibility (CSR) initiatives.
6. **Suppliers and Business Partners:** Organizations in RIPLC's supply chain supporting its services.
7. **Media and NGOs:** Influencers and watchdogs monitoring and reporting on RIPLC's activities.

## Stakeholder Engagement Methods and Practices

RIPLC employs a variety of methods to engage its stakeholders effectively:

### Customer Engagement

- **Customer Feedback Surveys:** Regular surveys to gather insights on customer satisfaction and areas of improvement.
- **Customer Support Services:** A dedicated team for resolving customer issues and providing insurance advice.
- **Educational Campaigns:** Programs to raise awareness about insurance benefits and financial risk management.

### Employee Engagement

- Town Hall Meetings: Open forums for employees to share ideas and feedback.
- Employee Satisfaction Surveys: Tools to gauge employee morale and identify areas for improvement.
- Training and Development Programs: Continuous skill-building to enhance employee productivity and career growth.

### Investor and Shareholder Communication

- **Annual General Meetings (AGMs):** Platforms for discussing business performance and future strategies.
- **Periodic Financial Reports:** Transparent reporting of financial performance and sustainability initiatives.
- **One-on-One Meetings:** Direct discussions with major investors to understand their expectations.

### Regulatory and Government Engagement

- Compliance Reporting: Regular submission of reports to regulatory bodies to ensure adherence to legal requirements.
- Policy Advocacy: Active participation in industry forums to contribute to policy development.

### Community Engagement

- **CSR Programs:** Initiatives focusing on education, healthcare, and disaster relief to support local communities.
- **Public Consultations:** Engagement with local communities to understand their concerns and implement impactful programs.

### Supplier and Business Partner Collaboration

- **Vendor Audits:** Ensuring suppliers align with RIPLC's sustainability and ethical standards.
- **Partnership Forums:** Regular meetings with business partners to discuss mutual goals and improve service delivery.

### Media and NGO Interaction

- **Press Releases:** Updates on RIPLC's sustainability efforts and business achievements.
- **Collaborative Projects with NGOs:** Joint initiatives addressing social and environmental challenges.

## Stakeholder Engagement Metrics and Performance Indicators

To measure the effectiveness of its stakeholder engagement, RIPLC tracks several key performance indicators (KPIs):

**Customer Satisfaction Score (CSAT):** Measures customer happiness with RIPLC's services.

- Target: Maintain a CSAT of at least 85%.

**Employee Engagement Index:** Gauges employee motivation and involvement in company initiatives.

- Target: Achieve an engagement score of 80% or higher.

**Number of Community Programs Conducted:** Tracks the reach and impact of CSR activities.

- Target: Launch at least 10 new community programs annually.



### Transparency and Reporting

RIPLC ensures transparency in its stakeholder engagement by:

- Publishing Annual Reports that detail engagement activities, achievements, and feedback from stakeholders.
- Sharing Sustainability Updates through its website and newsletters to keep stakeholders informed.
- Conducting Third-Party Audits to validate stakeholder feedback and ensure credibility.

### Challenges in Stakeholder Engagement

Despite its efforts, RIPLC faces several challenges in stakeholder engagement:

- **Diverse Stakeholder Expectations:** Balancing the varying needs of different stakeholders.
- **Limited Resources:** Allocating sufficient resources to engage all stakeholder groups effectively.
- **Maintaining Trust and Transparency:** Ensuring all communications are open and honest, especially during crises.

### Continuous Improvement in Stakeholder Engagement

To enhance its stakeholder engagement, RIPLC may adopt the following strategies:

- **Digital Engagement Platforms:** Use of technology to facilitate real-time communication and feedback.
- **Stakeholder Segmentation:** Tailoring engagement approaches based on the unique needs of each stakeholder group.
- **Regular Training for Employees:** Equipping staff with the skills to manage stakeholder relationships effectively.

### Alignment with Global Standards

RIPLC's stakeholder engagement practices align with internationally recognized frameworks, such as:

- Global Reporting Initiative (GRI): Ensures comprehensive and standardized reporting of stakeholder engagement activities.
- United Nations Sustainable Development Goals (SDGs): Focuses on fostering partnerships (Goal 17) and promoting inclusive growth (Goals 8, 10).
- ISO 26000 Guidance on Social Responsibility: Provides a framework for effective stakeholder engagement.

Stakeholder engagement is a cornerstone of Reliance Insurance PLC's sustainability strategy. By fostering open and transparent relationships with its stakeholders, RIPLC not only fulfills its corporate responsibility but also ensures the long-term success and sustainability of its business. Through continuous improvement and alignment with global standards, RIPLC demonstrates its commitment to creating shared value for all stakeholders.

## Future Outlook in the Sustainability Report of Reliance Insurance PLC

The Future Outlook section of a sustainability report provides a roadmap of how Reliance Insurance PLC (RIPLC) plans to address emerging challenges, capitalize on opportunities, and achieve its long-term sustainability goals. This forward-looking segment outlines the company's strategic vision, upcoming initiatives, and commitment to sustainable growth in alignment with global standards.

### Strategic Vision for Sustainability

Reliance Insurance PLC envisions becoming a leader in sustainable insurance by embedding environmental, social, and governance (ESG) principles into its core operations. The company aims to:

- Enhance climate resilience by offering innovative green insurance products.
- Foster social equity through community engagement and inclusive workplace policies.
- Strengthen governance to ensure transparency, accountability, and ethical practices.

### Key Focus Areas for Future Growth

RIPLC will concentrate on the following sustainability pillars:

- Environmental Sustainability
- Social Responsibility
- Governance and Ethical Practices
- Economic Contribution

### Integration of Technology for Sustainability

**Digital Transformation**

RIPLC will leverage digital platforms to improve operational efficiency, reduce waste, and enhance customer experiences. Key initiatives include:

- Paperless Operations: Transition to 100% digital documentation to minimize paper usage.
- AI and Big Data: Use predictive analytics to assess climate risks and develop tailored insurance solutions.

**Block chain for Transparency**

Adopt block chain technology to ensure transparency and security in policy issuance, premium collection, and claims management.

### Future Outlook



### Alignment with Global Sustainability Frameworks

RIPLC is committed to aligning its sustainability strategies with international frameworks, including:

- **United Nations Sustainable Development Goals (SDGs):** Prioritizing goals such as climate action (Goal 13), gender equality (Goal 5), and decent work and economic growth (Goal 8).
- **Task Force on Climate-related Financial Disclosures (TCFD):** Enhancing climate risk reporting and management.
- **Global Reporting Initiative (GRI):** Ensuring comprehensive and transparent sustainability reporting.

### Future Performance Targets and KPIs

RIPLC will monitor its progress toward sustainability goals using specific Key Performance Indicators (KPIs). These include:

| Focus Area | KPI | Target Year |
|---|---|---|
| Carbon Neutrality | Achieve net-zero carbon emissions | 2040 |
| Renewable Energy Use | Increase renewable energy share to 50% | 2030 |
| Community Impact | Positively impact 1 million lives through CSR | 2030 |
| Gender Diversity | 50% women in workforce | 2030 |
| Customer Satisfaction | Maintain a CSAT score of 90% | Annual |

### Addressing Future Challenges

RIPLC acknowledges potential challenges in achieving its sustainability goals and plans to adopt proactive measures to mitigate them:

**Climate Change Risks:**

Develop insurance solutions that address the growing risks of natural disasters and climate-related losses.

**Evolving Regulatory Landscape:**

Stay ahead of regulatory changes by enhancing compliance frameworks and building robust risk management systems.

**Technological Disruptions:**

Continuously innovate and adopt emerging technologies to remain competitive.

### Partnerships and Collaborations

To accelerate its sustainability journey, RIPLC will build strategic partnerships with:

**Government and Regulatory Bodies:**

Collaborate on policy development and climate resilience programs.

**Non-Governmental Organizations (NGOs):**

Work on community development and environmental restoration initiatives.

**Industry Peers:**

Share best practices and foster collective action to address sector-wide challenges.

### Commitment to Continuous Improvement

RIPLC is committed to continuously improving its sustainability practices through:

- Regular assessments and updates to sustainability strategies based on stakeholder feedback and market trends.
- Investment in research and development (R&D) for innovative products and solutions.
- Encouraging a culture of sustainability within the organization by involving employees at all levels in decision-making processes.

The future outlook section of Reliance Insurance PLC's sustainability report underscores its unwavering commitment to driving sustainable growth while addressing environmental and societal challenges. By setting ambitious targets, leveraging technology, and fostering strong partnerships, RIPLC aims to lead the insurance industry toward a sustainable and resilient future. Through these efforts, the company will continue creating value for its stakeholders, contributing to a better planet, and ensuring long-term business success.

# Corporate Social Responsibility

CSR is Corporate Social Responsibility. CSR is the integration of social and environmental goals within an organisation's operations and interactions with stakeholders. CSR is a form of self-regulation by business, traditionally broken into four categories: environmental, philanthropic, ethical and economic responsibility. CSR is a long-established concept that continues to be practiced by many established businesses, although younger businesses increasingly incorporate CSR principles within their ESG and Sustainability practices.

### Centre for Disability in Development (CDD)

The Centre for Disability in Development (CDD) is a not-for-profit organization established in 1996 to develop a more inclusive society for persons with a disability. CDD works in partnership with a network of over 350 organizations both nationally and internationally. It is estimated that 16 million people in Bangladesh are living with a disability, receiving little or no assistance and excluded from mainstream life. CDD's mission is to address this by simultaneously educating the community in how to be more inclusive whilst also enabling persons with a disability to participate in society by providing them with essential supports. In this way persons with disabilities can be given the same rights, freedoms, dignity and quality of life as everyone else. Reliance Insurance has donated CDD total of Taka 30,00,104 for their project titled "Promoting Quality of Life of People with Disabilities Living in Rural Areas in Bangladesh by providing Artificial Limbs".



### Bangladesh Thalassaemia Hospital (BTH)

Bangladesh Thalassaemia Hospital (BTH) is a project of Bangladesh Thalassaemia Samity and it is the only specialized hospital in Bangladesh for the Thalassaemia patients. Thalassemia is a deadly disease which is considered to be a blood related genetic disorder inherited by children from parents having thalassemia trait. Red blood cell of a thalassemia patient dies very fast resulting in multiple complications. Bangladesh Thalassemia Hospital located at Green Road having requisite facilities to provide transfusion service to the thalassemia patients.

Reliance Insurance has been continuously patronizing their endeavor and has donated total of Taka 27,26,000 over the years.

### Dhaka Ahsania Mission (DAM)

Dhaka Ahsania Mission (DAM), a non-profit, non-government, non-political, voluntary and charitable organization) established in 1958 with the mandate of 'Divine and Humanitarian Service'. DAM is now one of the leading voluntary development organizations in Bangladesh.

DAM has been mainly serving the poor and vulnerable people of Bangladesh over the last few decades. Poorest of the poor are included in most of its programme interventions. However, it also serves the community at large in conformity with its mission and the services are rendered through various programs and development interventions in response to the needs felt in the society.



DAM has sponsored several special projects and institutions for poor cancer patients, orphan & disadvantaged street children, abandoned children & destitute women, trafficked victim children & women, students of poor & needy families, which are:

- Ahsania Mission Cancer and General Hospital (for Poor Cancer Patients)
- Ahsania Mission Children City (for Orphan & Street Children)
- Thikana: The Home of Hope (Shelter Home at Jessore for the Trafficked Victim Children & Women)

Reliance Insurance PLC has donated for Tk.10,00,000/= (Ten lakhs) in the year 2025.

### Apon Bhubon



Apon Bhubon is an Old Age Home completely a charity organization started in 2020 with a few helpless, family less old mothers lying on the streets. But later the number of helpless, shelter less, severely sick (due to age) old mothers increased a lot. Currently 29 old mothers living in Apon Bhubon with cost free lodging, food, medical treatment, caring, nursing of some volunteers.

Reliance Insurance PLC has donated Apon Bhubon total of Tk. 2,300,000 in the year 2022-2025.

### Alokito Poth

Alokito Poth, is a non-profitable organization works for the physically challenged children with disability and autism. The organization specifically aim to develop the disable and autistic children's talents through healthy relaxation and proper treatments like speech and language therapy, occupational & physiotherapy etc. As they are maintaining these non-business initiatives, it requires donation to manage the organization and, continue the treatments for the children with disability and autism.

Reliance Insurance donated Tk. 1,840,000 in the year 2021-2024.



### Mastul Foundation

Mastul Foundation, established in 2012, is a social welfare non-profit and social development organization which works for the service of distressed humanity. They are working for the basic rights of underprivileged, destitute and ethnic minority people. They have requested financial assistance for their running social development programs such as Women empowerment, Youth empowerment, Safe water for all, Emergency & disaster response, winter aid etc.

Reliance Insurance PLC has donated Mastul Foundation Tk. 1,760,000 in the year 2022-2024.



### Society for Health Promotion Links (SHPL)

Society for Health Promotion Links (SHPL) is running several projects on women health over the years including Humaira Home Care Project (HCCP) in Gaibandha, Community Maternity practitioners' (CMP) course in Rangpur since 2006 and several community base researches to test community-based health care models. Presently, 55 such clinics are managed by Society for Health Promotion Links (SHPL). Reliance Insurance donated SHPL Tk. 6,00,000 in the year 2022.

### Sajida Foundation

SAJIDA Foundation, established in 1987, is a nongovernment organization with the aim to ensure health, happiness and dignity for all. It has been running a program titled Amrao Manush" since 2008.

The program has been working to bring sustainable change to the lives of 19,000 children and families with essential life services through 7 Pavement Dweller Centers. The COVID-19 pandemic has left a number slum dweller without an income source and they are struggling to pay for food, rent and healthcare. SAJIDA has identified 6,000 house- hold who require support to address some of the hardships they are facing. Reliance Insurance PLC has donated an amount of Tk. 11, 70,000 for SAJIDA Foundation in 2020 and 2021.

### Disabled Child Foundation

Disabled Child Foundation is a non-Government voluntary organization established by a group of committed visually challenged, physical challenged and sighted person in June 2005. Disabled Child Foundation has been working for the poorest rural children with disabilities (CWDs) and providing services for them to convert the CWDs into working and towards self-reliance to lead a decent life with dignity and courage so that their rights and privileges are recognized and the opportunity to be ensured to participate into the mainstream of national development activities. Reliance Insurance PLC has donated this organization Total of Tk. 16,34,000 in the year 2012, 2014, 2015, 2017, 2019 and 2021.

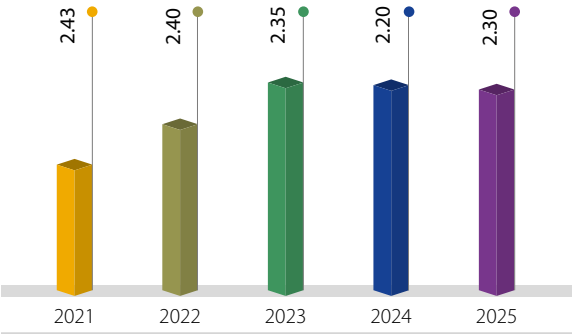
### Management and Resources Development Initiative (MRDI)

MRDI is a multi-disciplinary, not-for-profit non-government organization engaged in a wide spectrum of social development activities. Its objectives are developing the standard and quality of the media, enhancing physical and mental well-being of the people and empowerment of women, adolescents, children, minority and other marginalized sections of the population. Partners of the MRDI include well reputed think-tank, research organizations and development agencies. Besides, it gets support from international and local donors, embassies and UN agencies. Reliance Insurance donated a total of Tk. 25,66,000 in the year 2011, 2012, 2013, 2015, 2016 & 2018 for infrastructure development of primary schools in off shore areas of Char Fashion & Bhola. In the year 2023 Reliance Insurance donated an amount of Take 150,000 to Thrive - a registered charitable trust founded in 2012 with the mission of delivering healthy food to hungry children. Thrive currently provides approximately 2,000 meals to children at 13 schools in underprivileged urban areas. Their effort improve children's nutrition as well as school attendance and readiness to learn. In the past 10 years, Thrive has delivered over 3 Million Nutritious meals.

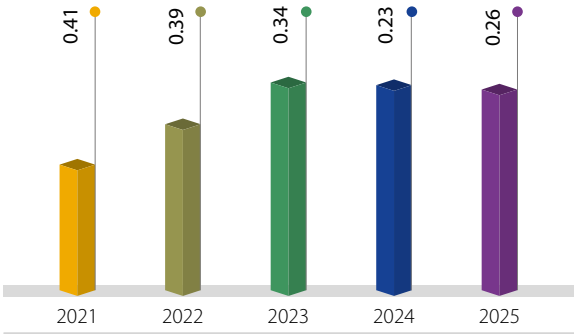
In 2020, Reliance Insurance donated an amount of Tk. 5,50,000 to Prime Minister's Relief & Welfare Fund as immediate response to COVID-19 pandemic situation and Tk. 3,00,000 to Quantum Plus School (QPS), a sister concern of Quantum Plus Foundation (QPF). QPF is a social welfare organization working for the ultra-poor people to ensure their fulfillment of basic needs like food, medical support and education. Reliance Insurance also donated total of Tk. 9,38,250 to Walk For Life Project of Glencoe Foundation in the year 2018 and 2019.

Reliance Insurance also supported other Government charitable initiatives as well as some humanitarian contributions time to time.

**Contribution to CSR** BDT mn

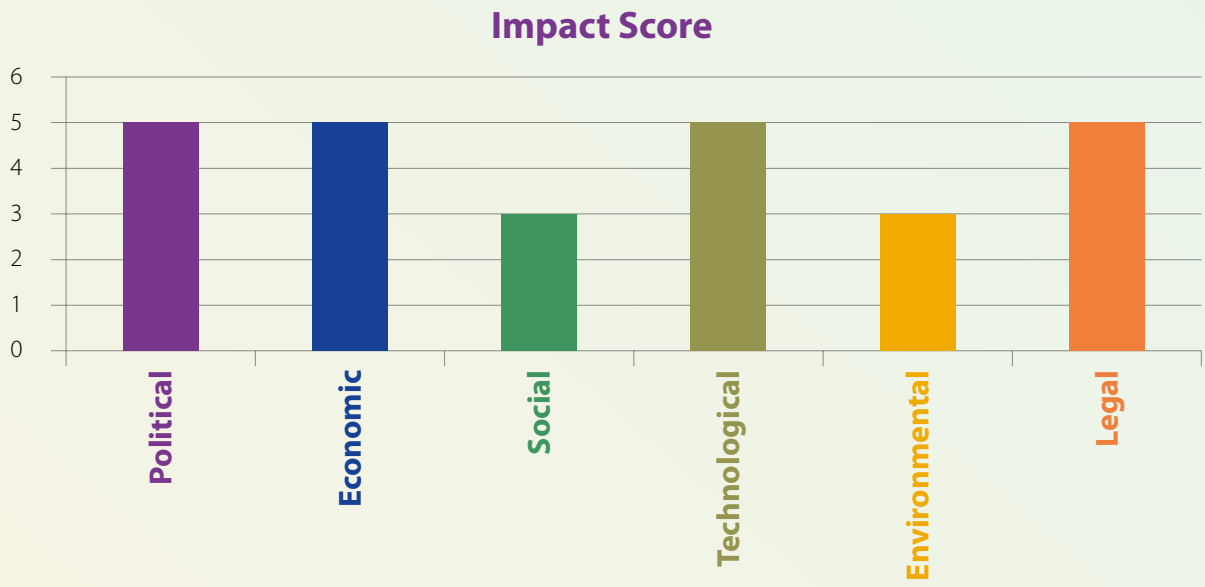



**CSR to Net Income** In %



# PESTEL Analysis

Reliance Insurance PLC, PESTEL analysis is a strategic tool used to evaluate the external macro-environmental factors that affect its operations and growth in Bangladesh. It examines Political, Economic, Social, Technological, Environmental, and Legal factors, helping the company anticipate risks and identify opportunities. Political and legal factors guide regulatory compliance and governance, economic factors influence premium collection and investment performance, social factors shape customer behavior and market demand, technological factors drive digital transformation and operational efficiency, and environmental factors affect risk exposure and sustainability initiatives. By analyzing these dimensions, Reliance Insurance PLC can align its strategies with external conditions, enhance resilience, and maintain sustainable growth in a dynamic insurance market.




## P Political Factors

IMPACT

**The political environment in Bangladesh plays a critical role in shaping the operations of Reliance Insurance PLC. While strict regulations and government control increase operational complexity, they also create a stable and trustworthy insurance market. Overall, political factors present high impact with balanced risk and opportunity.**

### RIPLC Initiatives

Reliance Insurance PLC has adopted a proactive approach to managing political factors by ensuring strict compliance with the regulations of the Insurance Development and Regulatory Authority and relevant laws, including the Insurance Act 2010. The company emphasizes strong corporate governance, transparency, and timely regulatory reporting to maintain credibility with government authorities and stakeholders. It actively engages with key regulatory and financial institutions and continuously adapts to government reforms and policy changes within the insurance sector. Additionally, the company aligns its business practices with national priorities through ethical operations and corporate social responsibility initiatives. These measures collectively help Reliance Insurance PLC mitigate political risks while strengthening its operational stability and long-term sustainability.

## P Economic Factors

IMPACT



Reliance Insurance PLC operates within a dynamic economic environment where factors such as GDP growth, inflation, interest rates, and overall financial market conditions significantly influence its performance. The steady economic growth of Bangladesh supports increased demand for insurance products, particularly from corporate and emerging middle-class segments. However, rising inflation and fluctuating interest rates can impact the company's investment income and profitability, as well as policyholders' purchasing power. Additionally, economic downturns or instability may lead to reduced premium collection and higher claim ratios. To address these challenges, Reliance Insurance PLC focuses on prudent financial management, diversified investment strategies, and maintaining a balanced underwriting portfolio, enabling the company to sustain growth and remain resilient in changing economic conditions.

### RIPLC Initiatives

Reliance Insurance PLC has undertaken several strategic initiatives to address economic factors by focusing on financial stability and sustainable growth. The company maintains a diversified investment portfolio to optimize returns and reduce exposure to interest rate and market fluctuations. It adopts prudent underwriting policies and risk assessment practices to balance premium income and claims, particularly during periods of economic uncertainty. To capture opportunities from the growing economy of Bangladesh, the company continues to expand its product offerings and strengthen its presence in both corporate and retail segments. Additionally, Reliance Insurance PLC emphasizes cost efficiency, effective fund management, and continuous monitoring of economic trends, enabling it to mitigate risks related to inflation and economic volatility while ensuring long-term financial resilience.

## P Social Factors

IMPACT



Reliance Insurance PLC operates in a social environment characterized by evolving demographics, cultural norms, and consumer behavior in Bangladesh. The growing middle class and increasing urbanization have expanded the demand for insurance products, particularly health, motor, and life coverage. However, low awareness about insurance in rural areas and cultural reluctance toward risk protection present challenges to market penetration. Corporate clients and multinational companies dominate the current portfolio, highlighting the need for targeted outreach to individual and small business customers. To address these social dynamics, Reliance Insurance PLC emphasizes customer education, community engagement, and tailored product offerings that meet the needs of diverse social groups, thereby improving accessibility, trust, and overall market growth.

### RIPLC Initiatives

Reliance Insurance PLC has implemented targeted initiatives to address social factors and enhance its reach across diverse population segments in Bangladesh. The company actively conducts customer education programs to raise awareness about insurance products and benefits, particularly in underpenetrated rural areas. It develops tailored insurance solutions for both individual and corporate clients to meet the needs of different social groups, including health, motor, and life insurance. Additionally, Reliance Insurance PLC engages in community outreach and corporate social responsibility activities, fostering trust and goodwill among customers. By focusing on these initiatives, the company strengthens market penetration, enhances customer relationships, and supports sustainable growth in alignment with evolving social trends.

## P Technological Factors

IMPACT

Reliance Insurance PLC operates in an increasingly technology-driven insurance landscape, where digitalization, automation, and emerging InsurTech innovations play a critical role. The adoption of IT systems for policy management, claim processing, and customer service has improved operational efficiency, reduced processing time, and enhanced customer experience. The company also faces challenges related to cybersecurity risks, data privacy, and rapid technological change, which require continuous monitoring and system upgrades. By leveraging digital platforms, mobile applications, and online portals, Reliance Insurance PLC is able to streamline processes, expand service accessibility, and maintain competitiveness in the evolving insurance sector of Bangladesh. Overall, technological factors significantly influence the company's operational effectiveness and growth potential.

### RIPLC Initiatives

Reliance Insurance PLC has undertaken several strategic initiatives to leverage technological advancements and strengthen its digital capabilities. The company has implemented integrated IT systems for policy administration, claims processing, and customer relationship management, which streamline operations and reduce turnaround time. It has developed online platforms and mobile applications to facilitate easy access to insurance products and services for both individual and corporate clients. To address cybersecurity and data privacy concerns, Reliance Insurance PLC continuously upgrades its security infrastructure and conducts regular risk assessments. Additionally, the company monitors emerging InsurTech trends and adopts innovative solutions to enhance product offerings and customer experience. These initiatives enable Reliance Insurance PLC to improve operational efficiency, expand market reach, and maintain competitiveness in the evolving digital insurance landscape of Bangladesh.

## P Environmental Factors

IMPACT

Reliance Insurance PLC operates in a context where environmental factors, including climate change, natural disasters, and sustainability regulations, significantly impact its insurance business. Bangladesh is prone to floods, cyclones, and other climate-related risks, which increase the frequency and magnitude of insurance claims, particularly in property, agriculture, and marine segments. Additionally, rising awareness of environmental sustainability and stricter regulations on industrial clients influence underwriting decisions and risk assessment practices. These environmental dynamics necessitate proactive planning, risk modeling, and product adaptation to maintain financial stability while addressing the evolving needs of policyholders.

### RIPLC Initiatives

To address environmental challenges, Reliance Insurance PLC has adopted several initiatives aimed at risk mitigation and sustainable growth. The company develops specialized insurance products for climate-sensitive sectors, such as agriculture, property, and marine insurance, to protect clients from natural disaster-related losses. It incorporates environmental risk assessments into underwriting and pricing strategies, enabling more accurate premium calculations and reduced exposure. Additionally, Reliance Insurance PLC participates in disaster-response and community support programs, contributing to social and environmental resilience. By integrating environmental considerations into its operations and product offerings, the company enhances its capacity to manage claims, meet regulatory expectations, and align with broader sustainability objectives in Bangladesh.

# P Legal & Regulatory Factors

IMPACT

Reliance Insurance PLC operates within a strict legal and regulatory framework governed primarily by the Insurance Act 2010 and oversight from the Insurance Development and Regulatory Authority. Compliance with licensing requirements, reporting standards, tax obligations, and consumer protection laws is mandatory. Legal factors also encompass labor laws, contract enforcement, and dispute resolution mechanisms that can affect claims settlements and corporate operations. Non-compliance or legal disputes could lead to financial penalties, reputational damage, or operational disruptions. Therefore, adherence to the legal environment is a critical determinant of the company's operational stability and market credibility in Bangladesh.

## RIPLC Initiatives

To mitigate legal risks and ensure compliance, Reliance Insurance PLC has implemented a range of initiatives. The company maintains robust internal compliance and audit systems to monitor adherence to all regulatory and statutory requirements. Legal teams and compliance officers regularly review contracts, claims procedures, and corporate policies to ensure alignment with current laws. Reliance Insurance PLC also invests in employee training on legal and regulatory matters to reduce operational risk. Additionally, the company proactively engages with regulatory authorities, industry bodies, and professional associations to stay informed about legislative changes and policy updates. These initiatives help the company minimize legal exposure, maintain credibility with stakeholders, and ensure smooth operations within the regulatory framework of Bangladesh.

# SWOT Analysis

**Reliance Insurance, a first-generation private non-life insurer in Bangladesh, reported mixed results for 2025. While profitability faced headwinds, the company's balance sheet and cash flow position improved significantly.**

Profit After Tax (PAT)
**BDT 885.46 Mn**

Earnings Per Share (EPS)
**BDT 8.42**

NAV per Share
**BDT 78.95**

Operating Cash Flow / Share
**BDT 6.84**



# STRENGTHS

### CONSISTENT SHAREHOLDER RETURNS:

Reliance Insurance has maintained a consistent dividend policy, declaring a 30% cash dividend for 2025, identical to the previous year. This reflects management's confidence in the company's cash position and commitment to rewarding shareholders despite earnings volatility.

### MARKET POSITION & BRAND:

As a long established non life insurer in Bangladesh (founded in 1988), Reliance Insurance has strong brand recognition and a diverse product portfolio spanning fire, marine, motor, and miscellaneous insurance products.

### STRONG REVENUE GROWTH:

The company reported an annual revenue of BDT 5,410.38 million in 2025, reflecting a 5.63% year on year increase.

### ROBUST BALANCE SHEET AND ASSET GROWTH:

The company demonstrated strong fundamental health in 2025. The Net Asset Value (NAV) per share increased to Tk 75.43 without revaluation (Tk.78.95 with revaluation), primarily driven by higher retained earnings and asset revaluation. This provides a significant buffer against financial shocks. With a low P/E ratio of approximately 7.75 and a P/B ratio of 0.82, the stock appears undervalued relative to its assets.

### STRONG CASH FLOW GENERATION:

Despite a dip in net profit, the company's operational efficiency improved. Net Operating Cash Flow per Share surged to Tk 6.84 from Tk 1.66 in the prior year, driven by higher premium income. This indicates strong liquidity and effective collection mechanisms .

# WEAKNESS

### PROFITABILITY DECLINE DUE TO LARGE CLAIMS:

Net profit dropped by approximately 8% in 2025, primarily due to a substantial increase in claim settlements related to the Dhaka airport cargo village fire incident in October 2025. This event highlights the company's vulnerability to large-scale, single catastrophic events.

### HIGH EXPOSURE TO PROPERTY & MARINE SEGMENTS:

Reliance Insurance operates heavily in fire, marine, and engineering insurance. While these are core strengths, they are also high-risk segments (as seen with the airport fire) compared to more stable health or motor insurance lines

### OPERATIONAL EXPENSE BASE:

Operating expenses and claims costs remain significant portions of total expenditure, impacting net margins in volatile periods.

### MODERATE SCALE:

Compared with larger industry players, Reliance Insurance's revenue and market capitalization are relatively modest, limiting scale advantages.

# OPPORTUNITIES

### LOW INSURANCE PENETRATION IN BANGLADESH:

The insurance penetration rate in Bangladesh is extremely low at just 0.50% of GDP, compared to the global average of around 7%. This presents a massive growth opportunity for established players like Reliance Insurance to expand their customer base.

### REGULATORY SUPPORT AND BANCASSURANCE:

The Insurance Development and Regulatory Authority (IDRA) is actively working to modernize the sector. The introduction of bancassurance (selling insurance through banks) provides a new, low-cost distribution channel for Reliance to tap into, potentially increasing premium volume.

### PRODUCT DIVERSIFICATION:

Currently focused on traditional property and marine risks, the company has room to expand into growing segments such as health insurance, cyber liability, and microinsurance (crop/livestock) to diversify revenue streams and reduce dependency on volatile property claims

### DIGITAL CHANNELS & INSURTECH ADOPTION:

Leveraging online sales, mobile apps, and digital claim processing can reduce costs and attract younger customers.

# THREATS

### VULNERABILITY TO NATURAL AND MAN-MADE DISASTERS:

As a general insurer heavily involved in fire and property coverage, Reliance is exposed to risks from industrial fires, floods, and political instability. The 2025 airport fire serves as a stark reminder that a single incident can wipe out a significant portion of annual profits.

### ECONOMIC HEADWINDS:

Inflation, interest rate changes, or economic slowdown could impact premium affordability and investment returns.

### COMPETITIVE MARKET LANDSCAPE:

The market is fragmented with 46 general insurance companies competing for business. Many of these are also listed on the stock exchange, leading to intense price competition and pressure on underwriting margins.

### REGULATORY AND COMPLIANCE RISKS:

The insurance sector in Bangladesh is governed by the Insurance Act 2010 and overseen by IDRA. Frequent changes in regulations (such as revisions to reinsurance rules or expense management regulations) could impact operational flexibility and profitability.

# Environment Related Initiatives

Human activity can have harmful effects on ecological systems, climate and public health. Recognizing this, Reliance Insurance PLC fully supports the principles of its commitment to promoting good environmental practice and sustainability of its activities. RIPLC committed to providing quality service in a manner that ensures a safe & healthy workplace for our employees protecting the environment, conserving energy and natural resources. With these policies in place, we believe that we can achieve a healthy and safe environment. We are committed to do and will:

### Economic Contribution of RIPLC

- Integrate the consideration of environmental concerns and impacts into our decision making and activities.
- Minimize energy and water use within our premises and processes in order to conserve supplies and minimize the consumption of natural resources.
- Conserve natural resources by adopting pollution prevention practices. Extending the life of equipments through preventive maintenance scheduling, purchasing and reworking used equipments etc.
- Comply with all applicable environmental regulations.
- Strive to continually improve RIPLC's environmental management system and performance & implement corrective actions.
- Develop and improve operations and technologies to minimize waste and other pollution, minimize health and safety risks, and dispose of waste safely and responsibly.
- As far as possible, we will try to identify and purchase preferable products, supplies and services for all our daily operational needs that do the least damage to the environment.
- Establish procedures to ensure that all employees are knowledgeable of, understand and comply with all applicable environmental laws and regulations. Train all our employees on our environmental program and empower them to contribute and participate.
- Communicate our environmental commitment to our clients, contractors, suppliers and the community.
- Promote continuous improvement of RIPLC's environmental management performance while ensuring corrective actions.

Sustainable Insurance refers to any form of Insurance service integrating environmental, social and governance criteria into the business or investment decisions for the lasting benefit of both clients and society at large. We recognize that the policies and practices we adopt today will shape not only our lives but also those of future generations. We therefore have an opportunity to make a positive contribution to environmental and social concerns by enacting policies designed so that our business operations do not degrade the environment or cause social harm. Such policies not only indicate positive environmental responsibility, but also present business opportunities such as innovative financial products and investments in sustainable forestry and renewable energy. This will help us better manage our risks, develop expertise and provide clients with solutions to evolving exposures. During day to day business Reliance Insurance heavily contributes towards the carbon emission in terms of use of paper, electricity, stationary, lighting, air conditioning, electronic equipment etc. even though this is moderate compared to other carbon sensitive industries like steel, oil and gas etc. In the case of insurance, the direct interface with the environment has considerably increased due to rapid growth of the Insurance industry. Energy consumption is the only way to describe our living, but excessive use is called waste. Prime focus of Reliance is utilization of solar power, Reduction of Energy & Resource Consumption; control the consumption of water, waste management, emission of greenhouse gas etc. As step of utilization of solar-energy we have already installed solar panels in our newly build Reliance Insurance Tower.

# Environmental & Social Obligations

Insurance policies are intended to help private individuals and companies to reduce their risk-taking and to protect against unexpected financial losses. Whether it is a matter of building a house or running a company, insurance policies provide increased security to the individual person, the company and the community in general. Insurance policies contribute to increased freedom of action and are therefore an important cornerstone of a community that is functional well.

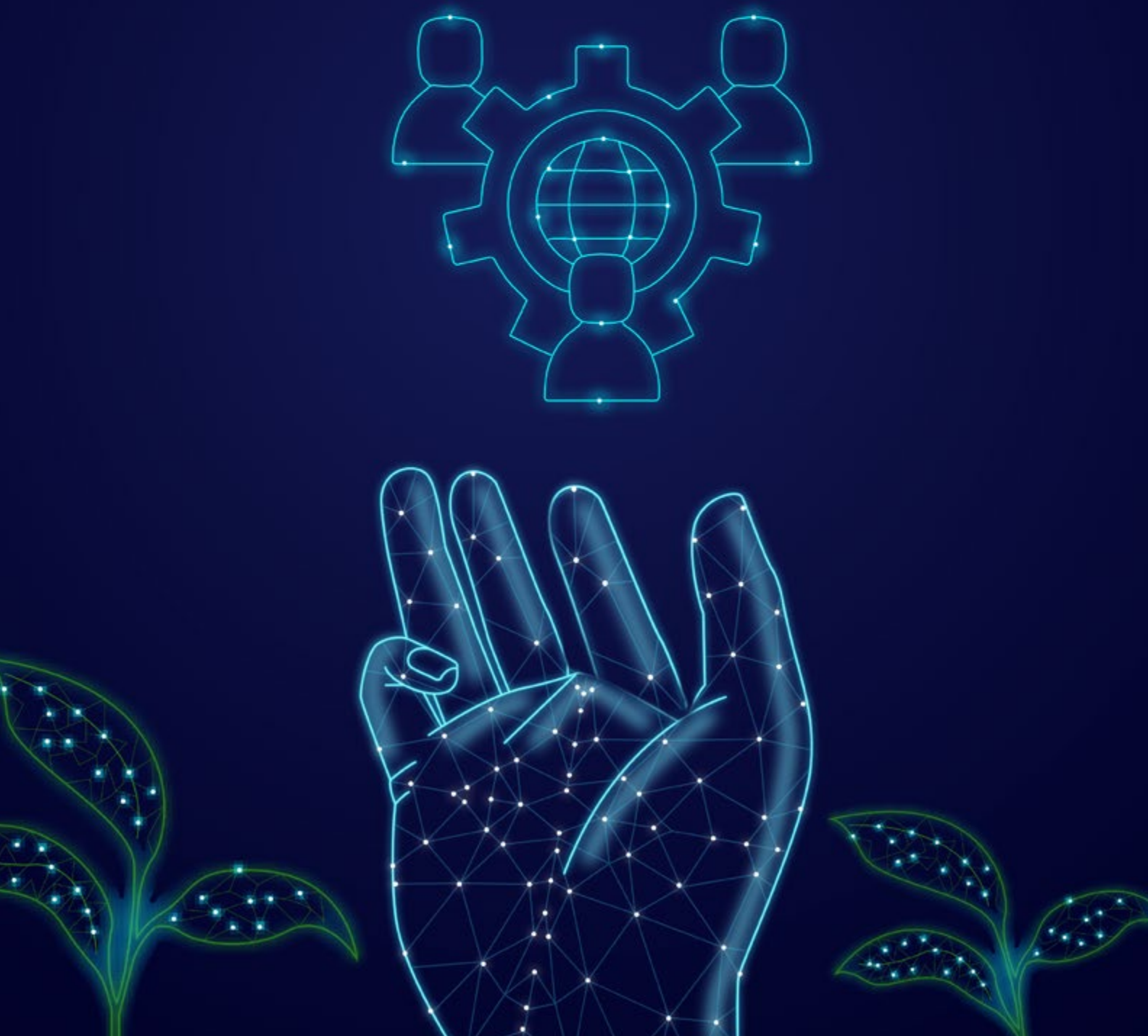
In our role as a leading insurance company, we fulfill an important function in the everyday lives of our large no. of our clients. We are mindful of the communities around us and our obligations and abilities to make a positive contribution to society and the environment that is sustainable in the long run.

We are actively involved in community issues that have a natural link to its business. By working with the right organizations we aim to bring about positive changes for the communities in which we operate. We strive for supporting safety initiatives in the broad meaning of the term in the communities within which we operate. The objective is, in the long term, to counteract negative social phenomena such as traffic accidents, segregation and exclusion. We also work actively to assist our clients personally to prevent accidents and incidences of damage.

Our strategy is to reduce the environmental impact the company has through constant improvements. Environmental responsibility is an integral part of our everyday business and all of our employees' responsibilities include working to promote a sustainable environment on a daily basis. Our suppliers are also included in this work since, when procuring their services and products, we specify as far as possible requirements for well-functioning environmental work.

We firmly believe that we have a shared responsibility to address the key environmental, social and governance issues relevant to our business and stakeholders.

# STEWARDING STRATEGIC GOVERNANCE



# Stewarding Strategic Governance

Corporate governance is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and better and timely financial reporting.

The maintenance of effective corporate governance remains a key priority of the Board of Reliance Insurance PLC (RIPLC). To ensure clarity about Directors responsibilities towards the shareholders, corporate governance must be dynamic and focused on the business objectives of the company and should create a culture of openness and accountability. RIPLC considers that its corporate governance practices comply with all the aspects of BSEC Notification No. BSEC/CMMRRCD/2006-158/2007/Admin/80 dated 03 June 2018 and also BSEC Notification No. BSEC/CMRRCD/2009-193/66/PRD/148 dated 16 October 2023. RIPLC keenly noted the Insurers' Corporate Governance Guidelines (ICGG) issued on 19 October 2023 by Insurance development and Regulatory Authority (IDRA). With a view to establishing high standards of corporate governance, RIPLC also incorporates and updates the best governance practices wherever necessary in all of its activities. The role of Board of Directors, separate and independent role of Chairman and Chief Executive Officer, distinct role of Company Secretary and Chief Financial Officer, Head of Internal Audit & Compliance and of different Board Committees allow RIPLC to achieve excellence in the best corporate governance practices.

## BOARD OF DIRECTORS

### Composition

The Board of Directors of RIPLC considers that its membership should comprise of Directors with an appropriate mix of skills, experience and personal attributes that allow the Directors, individually and the Board, collectively, to discharge their responsibilities and duties under the applicable laws efficiently and effectively, understand the business of the company and assess the performance of the Management.

The Board of RIPLC comprises of seventeen Directors who possess a wide range of skills and experience over a range of professions, business and service. There is one Director on the Board against own capacity and all other directors are nominated by their respective institutions except four independent directors. Each of the Directors brings in independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the activities of the company are always conducted with adherence to strict and highest possible ethical standards and in the best interests of the stakeholders.

The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled in by the Board in accordance with the stipulations of the Companies Act, 1994, Notification by BSEC and Articles of Association of the company. In addition, excepting the Independent Directors, one third of the directors retire from the board every year in the AGM, but remains eligible for re-election. The Independent Directors (ID) are appointed for 3-year term basis, continuously for two terms and with an interval of one term then for the final term in one's whole life, in compliance with the Corporate Governance Code (CGC) issued by Bangladesh Securities Exchange Commission (BSEC).

## CODE OF CONDUCT OF THE CHAIRPERSON, OTHER BOARD MEMBERS AND CHIEF EXECUTIVE OFFICER

The Chairperson/Chairman, other Board members and Chief Executive Officer (CEO) of the company shall act within the authority conferred upon them, in the best interests of the company and observe the following:

### Prudent conduct and behavior

- The Chairperson, other Board members and Chief Executive Officer shall act honestly, ethically, in good faith and in the best interest of the company.
- Whilst carrying out the duties, the Chairperson, other Board members and Chief Executive Officer shall ensure that it is executed in terms of the authorizations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors of the company from time to time.
- The Chairperson, other Board members and Chief Executive Officer shall refrain from indulging in any discriminatory practice or behavior based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.
- The Chairperson, other Board members and Chief Executive Officer shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.
- The Chairperson, other Board members and Chief Executive Officer shall use the company's assets, property, proprietary information and intellectual rights for business purposes of the company and not for any personal benefits or gains.

### Confidentiality

- The Chairperson, other Board members and Chief Executive Officer should conduct themselves so as to meet the expectations of operational transparency of the stakeholders while at the same time maintaining confidentiality of information in order to foster a culture conducive to good decision making. "Confidential information" includes, amongst others, all information of the company not authorized by the management of the company for public dissemination.
- All confidential information must be held in confidence, unless authorized by the Board or otherwise permissible in accordance with the Code; or the same is part of the public domain at the time of disclosure; or is required to be disclosed in accordance with applicable laws.

### Conflict of interest

- The Chairperson, other Board members and Chief Executive Officer shall not enter into any transaction which is or may likely to have a conflict with the interest of the company.
- The Chairperson, other Board members and Chief Executive Officer should disclose to the Board whether they directly, indirectly or on behalf of third parties have a material interest in any transaction or matter directly affecting the company.
- All transactions having conflict of interest should be carried out in accordance with law and be fully disclosed to the Board of Directors.

Compliance with Laws, Rules and Regulations

- The Chairperson, other Board members and Chief Executive Officer shall ensure compliance with the various legal/regulatory requirements as applicable to the business of the company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.

Prohibition of Insider Trading

- The Chairperson, other Board members and Chief Executive Officer shall comply with all laws, rules, and regulations governing trading in the shares of the company and the company's code of conduct for prohibition of insider trading in dealing with the securities of the company which, inter alia, prohibits buying or selling of the company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain.
- The Chairperson, other Board members and Chief Executive Officer should comply with the provision of the Companies Act, 1994 and applicable rules and regulations issued by Bangladesh Securities Exchange Commission, Dhaka Stock Exchange and Chittagong Stock Exchange, in so far as they relate to prohibitions on insider trading.

### Relationship with Environment

- The Chairperson, other Board members and Chief Executive Officer should cause the company to strive to provide a safe and healthy working environment and comply, in the conduct of the business affairs of the company, with all regulations regarding the preservation of the environment of the industry it operates in.
- The company should be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.

### Relationship with Employees

- The Chairperson, other Board members and Chief Executive Officer should strive for causing the company to maintain cordial employee relations.
- The Chairperson, other Board members and Chief Executive Officer should cause the company to build competency based human resource systems and maintain human resource policies that have been directed at managing the growth of the organization efficiently.
- The Chairperson, other Board members and Chief Executive Officer should assist the company in further aligning its human resource policies, processes and initiatives to meet its business needs.

### Relationship with Customers

- The Chairperson, other Board members and Chief Executive Officer should ensure that the company is committed to supply products and services of the highest quality standards backed by efficient after sales service consistent with the requirements of the customers to ensure their total satisfaction.
- The Chairperson, other Board members and Chief Executive Officer should ensure that company will properly engage in product advertising, publicity, and sales promotion activities to avoid misleading the customers.
- The Chairperson, other Board members and Chief Executive Officer should ensure that the company will engage in free and open competition with competitors to maintain its stance as a company trusted by customers and society.

### Relationship with Suppliers

- This Code contains general requirements applicable to all suppliers to company. Particular supplier contracts may contain more specific provisions addressing some of these same issues. Nothing in the Code is meant to supersede any specific provision in a particular contract, and to the extent there is any inconsistency between the Code and any other provision of a particular contract, the other provision will prevail.
- The Chairperson, other Board members and Chief Executive Officer should act in the best interest of the company. Accordingly, the Chairperson, other Board members and Chief Executive Officer should have no relationship, financial or otherwise, with any supplier that might conflict, or appear to conflict, with the Chairperson, other Board members and Chief Executive Officer's obligation to act in the best interest of the company.

### Independency

- The Chairperson, other Board members and Chief Executive Officer should remain independent in all respects.
- The Chairperson, other Board members and Chief Executive Officer should act impartial to the employees, customers, suppliers, shareholders and other stakeholders.

## THE ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is committed to the company seeking to achieve superior financial performance and long-term prosperity, while meeting stakeholder's expectations of sound corporate governance practice. The Board determines the corporate governance arrangements for the company.

As with all its business activities, the Board is proactive in respect of corporate governance and puts in all places those arrangements which it considers are in the best interest of the company and its shareholders, and consistent with its responsibilities to other stakeholders.

## THE ROLES AND RESPONSIBILITIES OF THE CHAIRMAN

The principal role of the Chairman of the Board is to manage and to provide leadership to the Board of Directors of the company. The Chairman is accountable to the Board and acts as a direct liaison between the Board and the management of the company, through the Chief Executive Officer (CEO). In particular, he will perform the following:

1. Chairs the meeting of the Board of Directors and shareholders/members of the company.
2. Establishes good corporate governance practices and procedures and promote the highest standards of integrity, probity and corporate governance throughout the company and particularly at the Board level.
3. Ensures that all Board committees are properly established, composed and operated.
4. Ensures that there is effective communication with shareholders and that each Director develops and maintains an understanding of the shareholders' views.
5. Sets, in consultation with the Chief Executive Officer, the Board meeting schedule and agenda to take full account of the important issues facing the company and ensures that adequate time is available for thorough discussion of critical or strategic issues.
6. Ensures that the Board is properly briefed on issues arising at Board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfill its duties, such as reports on the company's performance, the issues, challenges and opportunities facing the company, and matters reserved to it for decision.
7. Ensures that the strategies and policies agreed by the Board are effectively implemented by the Chief Executive Officer and the management of the company.
8. Supports the Chief Executive Officer in the development of strategy and, more broadly, to support and advise the Chief Executive Officer.
9. In consultation with the CEO, determines the date, time and location of the annual meeting of shareholders and develops the agenda for the meeting.
10. Reviews and signs minutes of Board meetings.

## THE ROLES AND RESPONSIBILITIES OF THE BOARD

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The Board of Directors is in full control of the company's affairs and is also fully accountable to the shareholders. It firmly believes that the success of the company largely depends on the credible corporate governance practices adopted by the company. Taking this into consideration, the Board of Directors of RIPLC sets out its strategic focus and oversees the business and related affairs of the company. The Board also formulates the strategic objectives and policy framework for the company. In discharging the above responsibilities, the Board caries out, the following functions as per the charter of the Board.

- Determine, monitor and evaluate strategies, policy, management performance criteria and business plan.

- Periodic and timely reporting to the shareholders on the affairs, progress and performance of the company.
- Ensuring proper decision making and accountability structure throughout the company so that the staff down the line is fully accountable to the corporate management.
- Delegation to Board sub-committees and management and approval of transactions in excess of delegated level.
- Approval of annual budgets including major capital expenditure proposals thorough discussion of critical and strategic issues.
- Critical evaluation of all proposals which require Board's approval and/or directives.
- Regular review of financial performance and overdue situation.
- Appointment and evaluation of the performance of the top management positions.
- Ensuring that the senior management team has the necessary skill and experience to perform their function effectively, in the best interest of the company,
- Monitoring the adequacy, appropriateness and operation of internal controls..

## THE ROLES AND RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER

Chief Executive Officer (CEO), shall subject to direction, supervision and control of the Board of Directors, have the following roles and responsibilities in addition to the responsibilities defined in the Articles of Association of the company:

1. Develops a strategic plan to advance the company's mission & vision and to promote revenue, profitability, and growth of the company.
2. Conducts the affairs of the company in accordance with the practices and procedures adopted by the Board and promotes the highest standards of integrity, probity and corporate governance within the company.
3. Recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to the applicable laws and regulations.
4. Ensures that the company conducts and controls all of its business activities in compliance with legal, regulatory and company policy and applicable ethics and business standards.
5. Reviews activity reports and financial statements to determine progress and status in attaining the objectives and revises objectives and plans in accordance with the prevailing conditions.
6. Leads the management in the day-to-day running of the company's business in accordance with the business plans and within the budgets.
7. Implements, with the support of the management, the strategies and policies as approved by the Board and its sub-committees in pursuit of the company's objectives.
8. Maintains regular dialogue with the Chairman on important and strategic issues facing the company and ensures bringing these issues to the Board's attention.
9. Ensures that the management gives appropriate priority to providing reports to the Board which contains relevant, accurate, timely and clear information necessary for the Board to fulfill its duties.
10. Leads the communication program with the shareholders.
11. The CEO shall along with the CFO certify the Board that:

(i) they have reviewed financial statements for the year and that to the best of their knowledge and belief:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading and

(b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

12. Evaluates performance of top executives of the company for compliance with established policies and objectives of the company and contributions in attaining objectives.
13. Effectively manages the human resources of the organization according to authorized personnel policies and procedures that fully conform to current laws and regulations.
14. Putting in place adequate operational planning and financial control systems.
15. Representing the company to major customers and professional associations.
16. Promotes the company to local and international communities.
17. Taking remedial action, where necessary, and informing the board of significant changes, if any;
18. Other roles and responsibilities as assigned by the Board of Directors from time to time.

### Board Meetings

The meetings of the Board of Directors of RIPLC are normally held at the Registered and Corporate Head Office of the company. The meetings are held frequently to discharge its responsibilities and functions as mentioned above. Meeting is scheduled well in advance and the notice of each Board Meeting is given, in writing, to each Director by the Company Secretary on behalf of the Board of Directors.

The Company Secretary, being ordered by the Chairman and in consultation with the CEO, prepares the detailed agenda for the meeting. The Board papers comprising of the agenda, explanatory notes and proposed resolutions, if so required, are circulated to the directors in advance for their review. The Members of the Board have complete access to all information of the company enabling them to work efficiently. The Members of the Board are also free to recommend inclusion of any matter in the agenda for discussion. The Company Secretary and Chief Financial Officer and the HIAC always attend the Board Meetings and other senior managements are invited to attend the Board Meetings to provide any additional input to the items being discussed by the Board and make necessary presentations.

Properly designed management structure, clearly defined responsibilities, delegation of authorities, establishment of accountability at each level and system of periodic reporting and monitoring performance are the key elements of the internal control framework employed in RIPLC.

## AUDIT COMMITTEE

### Composition of Audit Committee (AC)

Audit Committee of Reliance Insurance PLC is a Sub-Committee of the Board of Directors. Audit Committee comprises of 4 (four) Directors appointed by the Board of Directors. The Committee is headed by an Independent Director of the company. The Head of Internal Audit & Compliance Department has direct access to the AC and the AC is directly reportable to the Board of Directors.

### Role of the Audit Committee

According to the Terms of Reference approved by the Board and in compliance with code 5(5) of the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, the role of the Committee is as follows:

(a) Oversee the financial reporting process;

(b) monitor choice of accounting policies and principles;

(c) monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;

(d) oversee hiring and performance of external auditors;

(e) hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;

(f) review along with the management, the annual financial statements before submission to the Board for approval;

(g) review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;

(h) review the adequacy of internal audit function;

(i) review the Management's Discussion and Analysis before disclosing in the Annual Report;

(j) review statement of all related party transactions submitted by the management;

(k) review Management Letters or Letter of Internal Control weakness issued by statutory auditors;

(l) oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and

(m) oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.

### Meeting and attendance of audit committee

During the year 2025 Audit committee of the Board met four times to discharge their responsibilities. Detail of the meeting and record of attendance of the members are as follows:

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Md. Habibur Rahman Mollah FCA | 4 | 4 | 100 |
| Ms. Farhana Karim | 4 | 1 | 25 |
| Mr. Imran Faiz Rah-man | 4 | 4 | 100 |
| Mr. Azizur Rashid FCA | 1 | 1 | 100 |
| Ms. Maria Howlader FCA | 3 | 2 | 67 |

### Internal Control and risk management

Although the Board of Directors is ultimately responsible for ensuring that adequate and effective internal control and risk management systems are in place but Audit Committee of the Board has a vital role to play. Although no system of internal financial control can provide absolute assurance against material misstatement or financial loss, the company's internal control system have been designed to provide the Directors with reasonable assurance that assets are safeguarded against unauthorized use by the employees/or management and/or third parties,

transactions are authorized and properly recorded and material error and irregularities are either prevented or detected within a reasonable period of time.

## NOMINATION AND REMUNERATION COMMITTEE (NRC)

During the year under review the Nomination and Remuneration Committee (NRC) of Reliance Insurance PLC was comprised of three members. The NRC chaired by an Independent Director of the company. The members of NRC committee along with their attendance in 2025 are as follows:

### Meeting and attendance NRC Committee

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Mohammad Zahid Hossain FCA | 2 | 2 | 100 |
| Mr. Shamsur Rahman | 2 | 2 | 100 |
| Mr. Zaraif Ayaat Hossain | 2 | 2 | 100 |
| Ms. Amiran Hossain | 2 | 2 | 100 |

Terms of Reference (ToR) of NRC in line with the Corporate Governance Code No.6 (1) and other compliance as per 6(2) to 6 (5) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 are as follows-

### Terms of Reference

**1. Purpose**

1.1 The Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives as well as a policy for formal process of considering remuneration of directors and top-level executive.

**2. Authority**

2.1 The Nomination and Remuneration Committee is a Committee of the Board of Reliance Insurance PLC from which it derives its authority and to which it regularly reports.

2.2 The Committee has been delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.

**3. Constitution**

3.1 Chairperson

a. One member of the NRC to be Chairperson of the Committee appointed by the Board, who shall be an independent director;

b. In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;

c. The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:

Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

3.2 Membership

a. The Committee shall comprise of at least three members including an independent director;

b. All members of the Committee shall be non-executive directors;

c. Members of the Committee shall be nominated and appointed by the Board;

d. The Board shall have authority to remove and appoint any member of the Committee;

e. In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;

f. The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee.

3.3 Secretary

a. The Company Secretary shall act as the secretary of the Committee.

**4. Proceedings of Meetings**

4.1 Frequency of Meetings

a. The NRC shall conduct at least one meeting in a financial year;

b. The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.

4.2 Quorum

a. The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher;

b. The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.

4.3 Meeting Fees

a. No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.

4.4 Minutes of Meeting

The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

**5. Role of NRC**

5.1 NRC shall be independent and responsible or accountable to the Board and to the shareholders;

5.2 NRC shall oversee, among others, the following matters and make report with recommendation to the Board:

a. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

(ii) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks and

(iii) Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

b. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

c. Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

d. Formulating the criteria for evaluation of performance of independent directors and the Board;

e. Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria and

f. Developing, recommending and reviewing annually the company's human resources and training policies.

5.3 The NRC shall report to the Board and disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

## INVESTMENT COMMITTEE

Reliance Insurance PLC emphasizes excellence in investment governance to ensure prudent management and growth of its financial assets. The company's governance framework aligns with regulatory standards and global best practices, ensuring transparency, accountability, and ethical stewardship across all investment activities.

The Investment Committee at Reliance comprises seasoned professionals with extensive expertise in financial management. Their responsibilities include formulating and executing investment strategies, rigorously monitoring portfolio performance, assessing market dynamics, and continuously evaluating risk exposure. Guided by a balanced approach, the committee aims to optimize returns while maintaining a conservative risk profile, thereby safeguarding the funds entrusted to the company.

Additionally, Reliance integrates robust compliance measures and conducts periodic audits to reinforce confidence in its processes and uphold its reputation as a responsible financial institution. This commitment to sound investment governance underscores Reliance's mission to deliver long-term financial stability and value for all stakeholders.

While specific details regarding the Terms of Reference (TOR) for the Investment Committee are not publicly disclosed, the company's overarching governance policies and code of conduct reflect its dedication to ethical business practices and compliance with applicable laws and regulations.

### Meeting and attendance of Investment Committee

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Rajiv Prasad Shaha | 1 | 1 | 100 |
| Ms. Shahnaz Rahman | 1 | 1 | 100 |
| Ms. Farhana Karim | 1 | 1 | 100 |
| Ms. Samira Alam | 1 | 1 | 100 |
| Mr. Iftekharul Huq | 1 | 1 | 100 |

### Purpose & Objectives

The Investment Committee (IC) of Reliance Insurance PLC is responsible for overseeing the company's investment portfolio, ensuring that investment decisions align with the company's financial goals, regulatory requirements, and risk appetite. The committee aims to:

- Optimize returns while maintaining a balanced risk profile.

- Ensure compliance with legal and regulatory frameworks.
- Oversee the selection, monitoring, and performance of investments.
- Align investment strategies with the company's long-term financial stability.

### Composition of the Committee

The Investment Committee is typically composed of:

- Chairperson – Usually a senior board member.
- Senior Executive – Key executives such as the Chief Executive (CEO)
- Independent Members – Experts in finance, economics, or risk management.

The committee may also invite external financial advisors or fund managers as required.

### Roles & Responsibilities

The IC is entrusted with several key responsibilities:

a. Investment Strategy & Policy
   - Develop and periodically review the Investment Policy Statement (IPS).
   - Approve asset allocation strategies, considering risk diversification and liquidity needs.

b. Risk Assessment & Compliance
   - Assess market, credit, and operational risks associated with investments.
   - Ensure compliance with Insurance Regulatory Authorities, central bank policies, and international financial standards.
   - Monitor the creditworthiness of counterparties and financial institutions involved in investments.

c. Portfolio Management & Performance Monitoring
   - Approve and monitor the company's investment portfolio.
   - Review performance benchmarks and key performance indicators (KPIs).
   - Conduct periodic risk-adjusted return assessments and stress testing.
   - Make necessary adjustments based on economic conditions and market outlook.

d. Financial Reporting & Transparency
   - Ensure accurate investment reporting in financial statements.
   - Maintain proper documentation of all investment decisions.
   - Report investment performance to the Board of Directors at regular intervals.

e. Approving & Reviewing Investment Proposals
   - Evaluate and approve major investment proposals, including fixed-income securities, equities, real estate, and alternative assets.
   - Ensure due diligence is conducted before entering any new investment.
   - Conduct periodic reviews of investment managers and third-party service providers.

### Meeting Frequency & Procedures

The Investment Committee meets at least quarterly to review investment performance and market conditions.

Special meetings may be called in case of significant market fluctuations or major investment decisions.

A quorum is required for any meeting to proceed (usually a majority of committee members).

Decisions are made by majority vote, with the Chairperson having a casting vote in case of ties.

The Company Secretary records minutes of meetings, which are later reviewed by the Board.

### Reporting & Accountability

- The IC submits quarterly investment reports to the Board of Directors.
- It ensures investment activities comply with audit requirements.
- Any breaches of investment policy must be reported immediately.
- Regulatory & Ethical Considerations
- Ensure adherence to Insurance Development & Regulatory Authority (IDRA) regulations.
- Avoid conflicts of interest and uphold ethical investment practices.
- Follow Environmental, Social, and Governance (ESG) principles, where applicable.

### Review & Amendments

- The TOR is subject to periodic review (typically annually) to reflect regulatory changes or company strategy shifts.
- Amendments require approval from the Board of Directors.

## RISK MANAGEMENT COMMITTEE

Reliance Insurance PLC (RIPLC) upholds a robust corporate governance framework to ensure effective oversight and management of various risks inherent to the insurance industry. While specific details about the Terms of Reference (TOR) for RIPLC's Risk Management Committee are not publicly disclosed, we can outline the typical structure and responsibilities of such a committee based on industry best practices and regulatory guidelines.

### Meeting and attendance of Risk Management Committee

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Md. Habibur Rahman Mollah FCA | 1 | 1 | 100 |
| Ms. Srimati Shaha | 1 | 1 | 100 |
| Ms. Shahzreh Huq | 1 | 1 | 100 |

### Purpose & Objectives

The primary purpose of the Risk Management Committee (RMC) is to assist the Board of Directors in overseeing the company's risk management framework. This includes identifying, assessing, and mitigating risks that could impede the achievement of RIPLC's strategic and operational objectives. The committee aims to:

- Develop and periodically review the Risk Management Policy.
- Ensure integration of risk management into the company's culture and decision-making processes.
- Monitor the effectiveness of risk management strategies and practices.

### Composition of the Committee

The RMC is typically composed of:

- Chairperson: An Independent Non-Executive Director appointed by the Board.
- Members: At least two other Non-Executive Directors, ensuring that all members are independent of management.

Members are appointed based on their expertise in risk management, finance, and industry knowledge.

### Roles & Responsibilities

The RMC's key responsibilities include:

a. Risk Management Framework

- Formulate and periodically review the Risk Management Policy, ensuring it encompasses a framework for identifying internal and external risks, including financial, operational, sectoral, and sustainability (particularly Environment, Social, and Governance (ESG)) related risks.
- Recommend the Risk Management Policy for approval by the Board.
- Ensure that the Risk Management Policy is implemented effectively across the organization.

b. Risk Identification & Assessment

- Identify and assess significant risks that could affect the company's business operations and objectives.
- Evaluate the adequacy of risk identification and assessment processes.

c. Risk Mitigation & Control

- Review and recommend risk mitigation strategies to manage identified risks.
- Ensure the implementation of adequate internal controls to mitigate risks.

d. Monitoring & Reporting

- Monitor the effectiveness of risk management processes and controls.
- Review regular risk management reports and ensure timely reporting to the Board.
- Ensure compliance with regulatory requirements related to risk management.

### Meeting Frequency & Procedures

- Frequency: The RMC should meet at least four times a year and additionally as required.
- Quorum: A minimum of two members, including the Chairperson, is required for a meeting to proceed.
- Agenda & Minutes: The agenda should be circulated in advance, and minutes of each meeting should be recorded and approved by the committee.

### Reporting & Accountability

- The RMC reports directly to the Board of Directors.
- It provides regular updates on risk management activities, significant risk exposures, and mitigation strategies.
- The committee ensures that the Board is informed of any emerging risks and the effectiveness of risk management practices.

### Regulatory & Ethical Considerations

- Ensure compliance with relevant regulatory guidelines, including those issued by the Insurance Development & Regulatory Authority (IDRA) of Bangladesh.
- Promote a culture of ethical conduct and integrity in risk management practices.

### Review & Amendments

- The TOR should be reviewed annually to ensure it remains relevant and effective.
- Any amendments to the TOR should be recommended by the RMC and approved by the Board.

## POLICYHOLDER PROTECTION AND COMPLIANCE COMMITTEE

While specific details about the Terms of Reference (TOR) for the Policyholder Protection and Compliance Committee of Reliance Insurance PLC (RIPLC) are not publicly disclosed, we can outline the typical structure and responsibilities of

such a committee based on industry best practices and regulatory guidelines.

### Meeting and attendance of Policyholder Protection and Compliance Committee

| Name of the Director | Total Meetings held | Meetings Attended | % |
|---|---|---|---|
| Mr. Azizur Rashid FCA | 1 | 1 | 100 |
| Ms. Sabra Yesmin Chowdhury | 1 | 1 | 100 |
| Mr. Abdullah Al Mamun FCA | 1 | 1 | 100 |

### Purpose & Objectives

The primary purpose of the Policyholder Protection and Compliance Committee is to ensure that the interests of policyholders are safeguarded and that the company adheres to all regulatory and legal requirements. The committee aims to:

- Develop and oversee the implementation of policies and procedures that protect policyholder rights.
- Ensure compliance with applicable laws, regulations, and guidelines issued by regulatory authorities.
- Monitor and address policyholder grievances and complaints effectively.

### Composition of the Committee

The committee is typically composed of:

- Chairperson: An Independent Non-Executive Director appointed by the Board.
- Members: At least two other Non-Executive Directors, ensuring that all members are independent of management.

Members are appointed based on their expertise in compliance, legal affairs, and customer service.

### Roles & Responsibilities

The committee's key responsibilities include:

a. Policyholder Protection
   - Develop and periodically review the Policyholder Protection Policy, ensuring it aligns with regulatory requirements and industry best practices.
   - Monitor the implementation of measures to protect policyholder interests, including transparency in product information and fair treatment.
   - Oversee the resolution of policyholder complaints and grievances, ensuring timely and effective responses.

b. Compliance Oversight
   - Ensure that the company complies with all applicable laws, regulations, and guidelines issued by regulatory authorities.
   - Review and approve compliance policies and procedures, including significant changes to these policies.
   - Monitor compliance reports and ensure that any instances of non-compliance are addressed promptly.

c. Risk Management
   - Identify and assess compliance risks that could affect the company's operations and reputation.
   - Recommend and oversee the implementation of mitigation strategies to manage identified risks.
   - Ensure that compliance risks are integrated into the company's overall risk management framework.

### Meeting Frequency & Procedures

- Frequency: The committee should meet at least four times a year and additionally as required.
- Quorum: A minimum of two members, including the Chairperson, is required for a meeting to proceed.
- Agenda & Minutes: The agenda should be circulated in advance, and minutes of each meeting should be recorded and approved by the committee.

### Reporting & Accountability

- The committee reports directly to the Board of Directors.
- It provides regular updates on policyholder protection initiatives, compliance status, and any significant issues identified.
- The committee ensures that the Board is informed of any emerging compliance risks and the effectiveness of mitigation strategies.

### Regulatory & Ethical Considerations

- Ensure adherence to relevant regulatory guidelines, including those issued by the Insurance Development & Regulatory Authority (IDRA) of Bangladesh.
- Promote a culture of ethical conduct and integrity in all dealings with policyholders and regulatory bodies.

### Review & Amendments

- The TOR should be reviewed annually to ensure it remains relevant and effective.
- Any amendments to the TOR should be recommended by the committee and approved by the Board.

### Director Election Committee

As per the requirement of the gazette notification issued by the Financial Institutions Division, Ministry of Finance, Government of Bangladesh, regarding election procedure of Directors of Reliance Insurance Company. The Board formed the designated three committees with following members of the Board:

**Election Management Committee**

| | |
|---|---|
| Mr. Rajiv Prasad Shaha | Member |
| Mr. Imran Faiz Rahman | Member |
| Mr. Iftekharul Huq | Member |

**Selection Committee**

| | |
|---|---|
| Ms. Srimati Shaha | Member |
| Mr. Abdullah Al Mamun FCA | Member |

**Appeal Committee**

| | |
|---|---|
| Ms. Shahnaz Rahman | Member |

The Board has reconstituted the Director Election Committee.

## ETHICS AND COMPLIANCE

Reliance Insurance PLC (RIPLC) provides due importance to the moral concerns in order to make the right ethical decisions in every aspects of its operation. RIPLC believes that upholding the interest of the customers, employees, regulators and all other stakeholders are very crucial for economic stability of any country. Enforcing a corporate code of ethics requiring, understanding and involving active participation by everyone in the company since the code spells out the expected standards of behavior and sets the operating principles to be followed. Every official ensures that the company, at all times, maintains high ethical standards and adequate internal control measures, are in place to safeguard against unethical practices and irregularities. The Board of Directors of the company has already introduced high level of Code of Conduct of the Board members. It also monitors strict compliance of the same and *record it annually. The company follows Anti Money Laundering (AML) & Combating the Financing of Terrorism (CFT) program as per the Guidelines of Bangladesh Bank to prevent fraud and corruption. All tiers of employees are continually trained on the issues.

## HUMAN CAPITAL

Reliance Insurance PLC (RIPLC) believes that Human capital is vitally important for the Company's success. It is prime asset of the Company. It is the stock of competencies, knowledge and personality attributes embodied in the ability to perform jobs as to produce economic value to the Company. Human capital can be increased through education, training and experience. Reliance insurance PLC has the following policy to increase human capital:

1. Establish and administer transparent policies that enable company to develop and implement opportunities of recruitment, promotion, remuneration, benefits, rewards and recognition system, transfer and training and performance management system without any regard to age, sex, race, political belief and religion.
2. Create a climate of trust and support within the company which encourage the employees to work well together as a team and at the same time, to encourage them to be innovative and creative in order to achieve company goals.
3. Develop an effective internal communication and involvement mechanism which encourage employees to identify them with the company and its activities.
4. Adopt and institute a planned and systematic approach to anticipated changes and develop plans for preparing employees for technological and environmental changes and accordingly Identify employees' training and developmental needs and provide them with necessary development opportunities for them to advance in their career.
5. Ensure that the employment opportunities conform to the established and acceptable practices of the country.
6. Ensure that there are proper manpower planning and forecasting system in place to ensure that there will be enough people with the right skills and talents to meet company's current and future growths and needs.
7. Ensure that people with high capabilities proven by track record reach key management positions regardless of their sex, religion, cast creed, and more importantly age and seniority in addition to putting in place succession plans for all senior management positions in the company.

## COMMUNICATION TO SHAREHOLDERS AND STAKEHOLDERS

Reliance Insurance PLC (RIPLC) is committed to provide a high standard of communication to its shareholders and other investors so that they can have all information reasonably required to make informed assessments of the company's value and prospects. Some information needs to be communicated immediately in the form of price sensitive information, for which suitable procedures are in place.

Directors of the company normally attend the Annual General Meeting and shareholders are invited to ask questions during the meeting and to meet Directors after the formal proceedings have been concluded. The Directors appreciate the importance of general shareholders of the company and use the company's Annual General Meeting as further opportunities to communicate with them.

It is the company's policy to give the shareholders the opportunity at Annual General Meeting to ask questions about its activities and prospects. The Board arranges and applies general role for the shareholders to vote separately on each matter, by proposing separate resolutions for each item of business to be considered. As per the practice of the company the Chairman remains available to answer the questions of the shareholders at the Annual General Meeting.

The company maintains a corporate website www.eliance.com.bd keeping it always functional containing a wide range of information of the company and also included information as required under the listing regulations of the Dhaka & Chittagong Stock Exchanges. The website is updated as and when required basis.

## MANAGEMENT REVIEW AND RESPONSIBILITIES

The Management of the company is responsible for planning, organizing, staffing, directing and controlling with a view to accomplishing the company's strategic goals. A sound corporate management needs a range of skills and understanding to be able to deal with various business issues.

It needs to be of sufficient size and have an appropriate level of commitment to fulfill its responsibilities and duties. The Management is responsible for managing and controlling the company's business and day-to-day operations with the aim of securing significant and sustainable increase in the value of the company for its shareholders. The Management also has to ensure that the company's operations are in compliance with the applicable laws and regulations.

The Management is also responsible for designing, establishing and maintaining proper internal control system under its supervision. The Management also has to evaluate the effectiveness of the company's internal control system and satisfy that the internal control system were effective as of the end of the period under review.

Moreover the Management of the Company shall:

1. Demonstrate its commitment to the establishment, implementation, assessment and continual improvement of the management system and allocate adequate resources to carry out these activities.
2. Communicate to individuals the need to adopt to these individual values, Company's values and behavioral expectations as well as to comply with the requirements of the management system.
3. Foster the involvement of all individuals in the implementation and continual improvement of the management system.
4. Ensure that it is clear when, how and by whom decisions are to be made within the management system and that measurable objectives for implementing the goals, strategies and plans are established through appropriate processes at various levels in the organization.
5. Ensure that the implementation of the plans is regularly reviewed against these objectives and that actions are taken to address deviations from the plans where necessary.
6. Determine the amount of resources necessary and provide resources to carry out the activities of the organization.
7. Establish, implement, assess and continually improve the management system.
8. Determine competence requirements for individuals at all levels and provide training or take actions to achieve the required level of competence. An evaluation of the effectiveness of the actions taken shall be conducted and suitable proficiency shall be achieved and maintained.
9. Ensure that individuals are competent to perform their assigned work and that they understand the consequences for safety of their activities.
10. Ensure that Individuals shall have received appropriate education and training, and shall have acquired suitable skills, knowledge and experience to ensure their competence.
11. Determine, provide, maintain and re-evaluate the infrastructure and the working environment necessary for work to be carried out in a safe manner and for requirements to be met.

## EVALUATION OF QUARTERLY REPORT

### Quarterly Financial Reports

Quarterly Financial Report (QFR) is the interim financial report which is dealt by the International Accounting Standard (IAS) 34. Moreover, it is one of the requirements of Bangladesh Securities and Exchange Commission (BSEC).

As per IAS 34, interim financial report means a financial report containing either a complete set of financial statements or a set of condensed financial statements for an interim period. The interim financial report is intended to provide an update on the latest complete set of annual financial statements.

Audit of the interim financial statements is not required.

### Evaluation of Quarterly Reports

As per Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code and also practices of the company, quarterly financial reports of Reliance Insurance PLC (RIPLC), are primarily evaluated by the Audit Committee of the Board along with the Management before submitting to the Board for its final approval. While evaluating, the following events and transactions have been taken into careful consideration since disclosures of the said events and transactions are required if they are significant:

a) The write-down of inventories to net realizable value and the reversal of such a write-down;

b) Recognition of a loss from the impairment of financial assets, property, plant and equipment, intangible assets, or other assets, and the reversal of such an impairment loss;

c) Acquisitions and disposals of items of property, plant and equipment;

d) Commitments for the purchase of property, plant and equipment;

e) Litigation settlement;

f) Corrections of prior period errors;

g) Changes in the business or economic circumstances that affect the fair value of the entity's financial assets and financial liabilities, whether those assets or liabilities are recognized at fair value or amortized cost;

h) Any loan default or breach of a loan agreement that has not been remedied on or before the end of the reporting period;

i) Related party transactions;

j) Transfer between levels of the fair value hierarchy used in measuring the fair value of financial instruments;

k) Change in the classification of financial assets as a result of a in change in the purpose or use of those assets; and

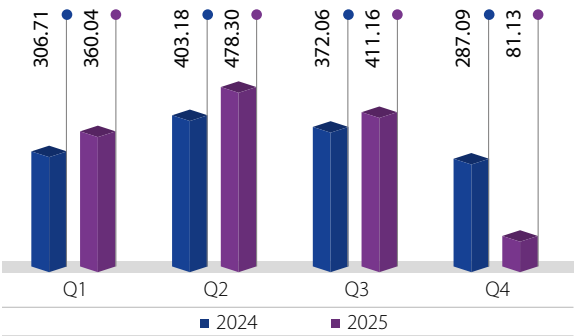
l) Change in contingent liabilities or contingent assets.

## Evaluation Results

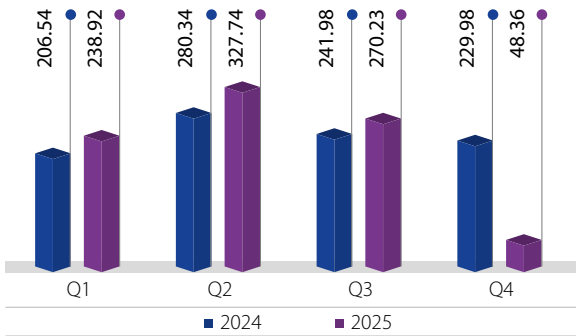
Quarterly evaluation results of the company for the year 2025 as compared with 2024 are as follows:

| Particulars | 2025 | | | | | 2024 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Total | Q1 | Q2 | Q3 | Q4 | Total |
| Gross premium income | 1,362.98 | 1,928.26 | 1,399.70 | 719.44 | 5,410.38 | 1,237.41 | 1,725.60 | 1,375.08 | 783.93 | 5,122.02 |
| Net premium income | 444.26 | 421.44 | 309.87 | 421.62 | 1,597.19 | 429.80 | 371.31 | 285.93 | 366.27 | 1,453.31 |
| Add: Net R/I Commission earned | 152.01 | 143.55 | 108.00 | 65.14 | 468.71 | 103.93 | 153.39 | 94.85 | 63.73 | 415.90 |
| Add : Investment & other income | 153.83 | 228.40 | 180.65 | 203.98 | 766.86 | 121.15 | 172.63 | 160.23 | 160.16 | 614.16 |
| Total income | 750.10 | 793.40 | 598.52 | 690.74 | 2,832.76 | 654.88 | 697.33 | 541.00 | 590.17 | 2,483.37 |
| Total M. Expenses with Cliams | (390.05) | (315.10) | (187.36) | (609.61) | (1,502.12) | (348.16) | (294.15) | (168.94) | (303.07) | (1,114.33) |
| Net profit before tax | 360.04 | 478.30 | 411.16 | 81.13 | 1,330.64 | 306.71 | 403.18 | 372.06 | 287.09 | 1,369.04 |
| Provision for income tax | (121.13) | (150.56) | (140.93) | (32.77) | (445.38) | (100.18) | (122.84) | (130.08) | (57.11) | (410.20) |
| Net profit after tax | 238.92 | 327.74 | 270.23 | 48.37 | 885.25 | 206.54 | 280.34 | 241.98 | 229.98 | 958.84 |
| Earnings per share (EPS) in taka | 2.27 | 3.12 | 2.57 | 0.46 | 8.42 | 1.96 | 2.67 | 2.30 | 2.19 | 9.12 |

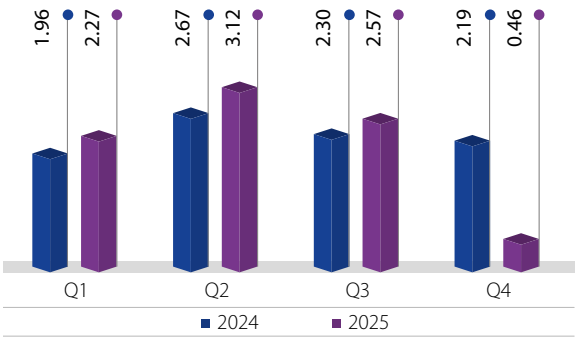
**Net Profit Before Tax** BDT mn




**Net Profit After Tax** BDT mn



**Earnings per share** BDT




## GOING CONCERN

Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue to remain in operation for the foreseeable future. Hence, it is assumed that the enterprise has neither the intention nor the need to liquidate or curtail materially the scale of its operations, if such an intention or need exits, the financial statement may have to be prepared on a different basis and, if so, the basis used is disclosed. On the other hand, listed companies are required by BSEC to report on its ability to continue as a going concern.

The Board of Directors of Reliance Insurance PLC has made annual assessment during the year under review about whether there exist material uncertainties which may cast significant doubt upon the company's ability to continue as a going concern.

The Director's assessment of whether the company is a going concern involves making appropriate inquiries including review of budget, forecast, assumptions and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to company's ability to continue as a going concern for the foreseeable future.

### Financial Indications

- Positive net current assets
- Fixed term debt with realistic renewal or repayment
- Less reliance on short term borrowing
- Continuous financial support by lenders
- Positive operating cash flows
- Positive key financial ratios
- Consistent payment of dividends
- Credibility in payment of obligations
- Performance growth
- Positive underwriting results and trends

### Operating Indications

- No key management turnover
- Good business expansion
- Spread of business across diverse clientele
- Good market reputation and clients satisfaction
- Good Corporate environment and employee satisfaction

### Other Indications

- Strong fixed assets base
- Positive net current assets
- Significant amount of investment in FDR and government bonds
- Positive operating cash flows
- Positive key financial ratios
- Consistent payment of significant amount of dividend to shareholders
- Credibility in payment of claims to the insured and other obligations
- Positive performance growth
- Positive underwriting results and trends

### Operating Indications

- No key management turnover
- Good business expansion
- Spread of business across diverse clientele
- Strong reinsurers to support the risk management
- Good market reputation and clients' satisfaction
- Good corporate environment and employees
- Satisfaction of employees and stakeholders

### Other Indications

- Maintenance of sufficient capital base as required by law
- Strong equity base
- Strong claim paying ability (CPA)
- Strong credit rating by the best rating agency in the country
- Accolade by Government and national/international professional bodies
- Anticipates no significant change in legislation or government policy

## GOOD GOVERNANCE AND RIPLC

Good governance is about the processes for making and implementing decisions. It's not about making 'correct' decisions, but about the best possible process for making those decisions. It starts with a clear strategy for the organization. In good governance, accountability is a fundamental requirement and those charged with the governance have obligations to report, explain and are answerable for the consequences of decisions it has made.

In good governance, stakeholders should be able to follow and understand the decision-making process. This means that they will be able to clearly see how and why a decision was made–what information, advice and consultation considered, and which legislative requirements they followed. In good governance, fairness and transparency are always prioritized. Good governance identifies ways to improve company practices and also promotes social good by investing in the society. All men and women should have a voice in decision-making. Reliance Insurance PLC has considered all the said characteristics of good governance and applied in its decision-making process. Strong and ethical Board, sound decision making process, equitable men and women representation in the Board, effective management representation in the Board, qualified and professional management, low employees' turnover, steady and stable growth, consistence return of investment, compliances of laws and regulations are the instances of good governance realization.

### No. of Non-Shareholding Director

Board of Directors of Reliance Insurance PLC (RIPLC) is constituted with 16 Directors, out of which 13 members are shareholding and rest 3 members are Independent Directors with no shareholding.

### Single family domination board

The board of Reliance Insurance PLC (RIPLC) is constituted mainly with the nominated directors from various corporate bodies and therefore is not dominated by any single family.

### Shareholding concentration (Public)

Number of shares of public shareholding is 53,214,934 which is 50.60% of total number of shareholders.

### Audit committee led by Independent Directors

The Audit Committee is chaired by Md. Habibur Rahman Mollah FCA, Independent Director. There is another Independent Director in the Committee to preside over the Audit Committee meeting in the absence of the regular Chairman as per BSEC code.

### Directors' minimum shareholding

As per BSEC Notification dated 21 May 2019. Each director other than independent director of any listed company shall hold minimum 2% (two percent) shares of the paid-up capital.

The public subscriber's directors of RIPLC are in compliance with the said Notification of BSEC which is shown in the page no. 88 of Annual Report 2025.

### Audit opinion

The Audit opinion on the Financial Statements for the year 2025 of Reliance Insurance PLC is an unqualified opinion. The reference page no. 354 of Annual Report 2025.

# Nomination and Remuneration Policy

## 1. BACKGROUND

This Nomination and Remuneration Policy (the "Policy") is established by the Board of Directors (the "Board") of Reliance Insurance PLC, through its Nomination and Remuneration Committee (NRC). This policy adheres to Corporate Governance Condition No. 6(1) and related compliance requirements outlined in BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The NRC is responsible for ensuring that the company has a clear and transparent process for nominating directors and top-level executives, and for determining their remuneration.

## 2. NOMINATION POLICY

The Nomination & Remuneration Committee draws an outline for recruitment and section of the Company's needs for employees at different levels, as ascertained by the management. The recruitment and selection of Directors, top-level executives and other employees of the Company are made according to the following guidelines:

**2.1 Identification and Assessment:** The NRC will identify and assess potential candidates for Director and top-level executive positions, focusing on their integrity, qualifications, expertise, and relevant experience. The NRC will then recommend qualified candidates to the Board for appointment.

**2.2 Directors & Independent Directors:** The Nomination and Remuneration Committee (NRC) recommends candidates for Directors and Independent Directors in accordance with applicable company laws, as well as the rules, regulations, and guidelines of the Bangladesh Securities and Exchange Commission (BSEC). Based on the NRC's nomination and recommendation, the Board of Directors appoints the Directors and Independent Directors, subject to approval by the relevant regulatory authorities and shareholders at the General Meeting.

**2.3 Top-level executives:** The Nomination and Remuneration Committee (NRC) identifies and recommends candidates for top-level executive positions following a thorough evaluation by the Managing Director and the Human Resources Department. The selection process considers relevant qualifications, experience, skills, and leadership capabilities, ensuring alignment with the Company's internal selection criteria and requirements for the respective roles.

**2.4 Nomination and Approval:** The NRC will formally nominate candidates for Director and top-level executive roles and submit these nominations to the Board for approval. Such nominations may be subject to shareholder approval, as required.

**2.5 Discretion:** The NRC has the discretion to determine whether a candidate's qualifications, expertise, and experience are sufficient and satisfactory for the position under consideration.

**2.6 Candidate Attributes:** Nominees should possess a strong reputation for integrity, relevant sector insights, the ability to contribute to the Company's growth, and skills that complement those of existing team members.

**2.7 Other Commitments:** A person appointed as a Director or top-level executive should not hold other conflicting offices, except within subsidiary or sister companies, and only with Board approval.

**2.8 Performance Contracts:** All employees must sign a performance contract outlining key performance standards for their specific roles.

**2.9 Nomination Structure:** The Board determines the nomination structure, revising it as needed to align with the Company's evolving needs.

## 3. REMUNERATION POLICY

**3.1 Remuneration Structure:** The Board determines the remuneration structure, and revises it periodically based on individual contributions and the Company's overall performance.

**3.2 Non-Executive Director Remuneration:** Remuneration for Non-Executive Directors is based on a structure determined by the Board.

**3.3 Top-Level Executive Increments:** The NRC may recommend adjustments to the remuneration of top-level executives for Board approval, within pre-defined limits.

**3.4 Meeting Fees:** Non-Executive/Independent Directors may receive fees for attending Board or Committee meetings, up to a maximum amount set by the Board.

**3.5 Attraction and Retention:** The Company aims to set total remuneration at levels that attract, motivate, and retain high-caliber and high-potential personnel in a competitive market.

**3.6 Benchmarking:** Total remuneration levels are reviewed annually, based on comparisons with peer

companies and the Company's income-expenditure ratio.

**3.7 Remuneration Components:** The remuneration structure includes annual remuneration and long-term rewards. The NRC will establish guidelines for these elements.

**3.8 Incentive Plans:** The Company may implement Term Incentive Plans, granting incentives to eligible key employees based on their contributions, organizational position, and length of service, as recommended by the NRC.

**3.9 Scheme Details:** The specific details of incentive plans, including grant and vesting terms, will be defined and implemented to attract and retain key talent.

## 4. APPOINTMENT PROCESS

**Directors & Independent Directors:** The NRC recommends candidates for Directors & Independent Directors, based on company laws, Bangladesh Securities, and Exchange Commission (BSEC) rules, regulations, and guidelines. The Board of Directors appoints the Directors and Independent Directors upon nomination and recommendation of the NRC and subject to approval by the regulatory authority and shareholders in the General Meeting.

**Top-level executives:** The NRC identifies and recommends candidates for top-level executives upon thorough scrutiny by the Managing Director and Human Resources Department, considering relevant qualifications, experience, skills, and leadership, as required for the respective positions based on the Company's internal selection process.

## 5. REMUNERATION CRITERIA

The structure, scale, and composition of remuneration/ honorarium is reasonable and sufficient to attract, retain and motivate suitable Directors, top-level executives, and other employees to run the company efficiently and successfully. The context of packages, including remuneration/ benefits monthly, yearly, and in the long run for all the employees are categorically laid down and meets the appropriate performance benchmarks.

The remuneration including bonuses, compensation, and benefits or in whatever form payable to the Directors, top-level executives and other employees are determined by the NRC based on the respective Company HR policies and guidelines and applicable rule and regulation of the land which shall be ratified by the Board as and when required.

The remuneration to be paid to the Directors and top-level executive is in accordance with the company's HR policies and guidelines.

## 6. EVALUATION

The performance of Directors and top-level executives will be evaluated annually. The following criteria will be considered:

a) Leadership and stewardship abilities;
b) Performance against corporate plans & objectives;
c) Strategic Planning- Financial & Business;
d) Identify, monitor & mitigate significant corporate risks;
e) Review management's succession plan;
f) Obtain adequate, relevant & timely information from external sources;
g) Communication skills;
h) Motivating employees, providing assistance & directions;
i) Teamwork attributes;
j) Regular monitoring of corporate results against projections;
k) Direct, monitor & evaluate senior officials;
l) Attendance & presence in meetings of Board & Committees;
m) Punctuality;
n) Leadership skills;
o) Exercising duties diligently;
p) Compliance with ethical standards & code of conduct;
q) Safeguard of confidential information.

# Report of the Audit Committee

The Audit Committee of Reliance Insurance PLC has constituted in compliance with Bangladesh Securities and Exchange Commission Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 and Insurers Corporate Governance Guideline, 2023 by Insurance Development and Regulatory Authority (IDRA). The primary responsibility of the Audit committee is to oversee the reporting and integrity of the financial transactions, business risk, internal control & compliances and audit. It regularly reports to the Board of Directors as per its Terms of Reference (ToR) as approved by the Board.

### Composition of the Audit Committee:

The Audit committee comprises of four (4) members, The Chairman of the committee is appointed by the Board and is an independent director. The company secretary acts as the secretary to this committee. The committee comprises following directors of the company:

| | | |
|---|---|---|
| 1. | Mr. Md. Habibur Rahman Mollah, FCA | Chairman |
| 2. | Ms. Farhana Karim | Member |
| 3. | Mr. Imran Faiz Rahman | Member |
| 4. | Ms. Maria Howlader, FCA | Member |

All the members of the committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control processes as required by the BSEC Corporate Governance Code, 2018 and Insurers Corporate Governance Guideline, 2023.

### Meetings and Attendance (Financial Year 2025):

During the year under review i.e. 2025, four (4) meetings of the Audit Committee were held. Permanent invitees to the audit committee meetings were the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit & Compliance (HIAC), Company Secretary and Statutory Auditor, Mr. Nasir U Ahmed FCA, Additional Managing partner of M/s. MABS & J Partners, Chartered Accountants, were also on invitation in the meeting for review of the Annual Financial Statements before submission to the Board for adoption as per condition no. 5 (5) (e) of BSEC Corporate Governance Guideline. The Audit committee meetings attendance for the year 2025 is as follows:

| Name | Representation | Number of meetings during the year | |
|---|---|---|---|
| | | Held | Attended |
| Mr. Md. Habibur Rahman Mollah FCA | Chairman | 4 * | 4 |
| Ms. Farhana Karim | Member | 4 | 1 |
| Mr. Imran Faiz Rahman | Member | 4 | 4 |
| Ms. Maria Howlader FCA | Member | 3 ** | 2 |

* Mr. Md. Habibur Rahman Mollah FCA was selected as Chairman of the Audit committee at the Board of Directors meeting held on 25 March 2025.

** Ms. Maria Howlader FCA was included as a member of the Audit Committee at the Board of Directors meeting held on 25 March 2025.

**Activities:**

**The audit committee of the Board carried out following major activities during the year:**

- Reviewed quarterly, half yearly and annual financial statements of the company by focusing on any significant changes in accounting policies, compliance with applicable reporting standards & other regulatory requirements.
- Conducted meetings with external auditor and discussed the audited financial reports and accounts for the year ended December 31, 2025 and management's response (s) to the report before submission to the Board for adoption.
- Reviewed the related party transactions as disclosed in note no. 31 of the financial statements.
- Reviewed various reports of Internal Audit & Compliance Department on operational, financial procedures and Branch activities and recommendation of appropriate measures to the management arising out of the findings of such reports.
- Recommended appointment and determination of audit fees for statutory audit for the year 2026.
- Reviewed the proposals in order to recommend to the Board the name of a Professional Firms for certification for the year 2026 on compliance of Corporate Governance Guidelines.
- Reviewed the proposals in order to recommend to the Board the name of a Professional Firms for certification for the year 2026 on compliance of IDRA's Insurers Corporate Governance Guidelines.
- Approved the Internal Audit & Compliance Plan for the year 2026 and assessed and reviewed the status of report of Internal Audit & Compliance.
- Monitored the progress regarding implementation of "IFRS 17- Insurance Contracts".
- Evaluate findings of external auditors and assess their impact on financial reports and internal control. Suggest corrective measures to address the changes required thereto.
- Evaluate efficiency of internal audit structure of the company and suggest where necessary control need to be emphasized.

The Audit Committee is of the view that the internal control and procedures are adequate to present a true and fair view of the activities and financial status of the Company. Finally, the Audit Committee would like to convey their appreciation to the members of the Board, key Management personnel and Internal Audit & Compliance for their cooperation and support received during the year 2025.



**Md. Habibur Rahman Mollah FCA**
Chairman
Audit Committee of the Board
Reliance Insurance PLC.

# Report of the Nomination and Remuneration Committee

Reliance Insurance PLC has its Nomination and Remuneration Committee (NRC) in compliance with the Corporate Governance Code by BSEC (Bangladesh Securities and Exchange Commission) and the Chairman of the NRC is an Independent Director. Composition of the NRC is as following;

| | | |
|---|---|---|
| 1. | Mr. Mohammad Zahid Hossain FCA | Chairman |
| 2. | Mr. Shamsur Rahman | Member |
| 3. | Ms. Amiran Hossain | Member |
| 4. | Mr. Zaraif Ayaat Hossain | Member |

The Board at its 286th Meeting held on 25 March 2025 appointed Mr. Mohammad Zahid Hossain FCA as the Chairman of the NRC to chair the Committee.

The Nomination and Remuneration Committee of Reliance Insurance PLC operates in accordance with the Terms of Reference as Approved by the Board of Directors in compliance with the Code-6 of the Securities and Exchange Commission's Corporate Governance Code, Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 and Insurers Corporate Governance Guideline, 2023 by Insurance Development and Regulatory Authority (IDRA).

Role and responsibilities of Nomination and Remuneration Committee: The authority, purpose, composition, duties and responsibilities of the NRC are defined in its terms of references. Some of its main roles and responsibilities are;

- Recommend a policy on Boards' diversity, considering age, gender, experience, education and nationality;
- Set criteria for determining qualification and Independence of Directors;
- Ascertain persons who are qualified to become top level executives and recommend their appointment and removal;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Recommend a policy to the Board relating to the remuneration of the top level executives;
- Assess that the level and composition of remuneration is sufficient to attract, retain and motivate suitable executives to run the company successfully;
- Evaluate that remuneration to top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives aligned with company's goal.
- Identify the company's need for employees at different levels and determine their selection, transfer of replacement and promotion criteria;
- Recommend and review annually the Company's human resource and training policies;
- Recommend the remuneration policy of the Company and yearly increment;
- Recommend the Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer of the Company.

Meetings and Attendance of 2025: Nomination and Remuneration Committee of the Board of Reliance Insurance PLC had two meetings during the year 2025. The NRC meeting attendance of the year 2025 and the decisions taken as under:

| Name | Representation | Number of meetings during the year | |
|---|---|---|---|
| | | Held | Attended |
| Mr. Mohammad Zahid Hossain FCA | Chairman | 2 | 2 |
| Mr. Shamsur Rahman | Member | 2 | 2 |
| Ms. Amiran Hossain | Member | 2 | 2 |
| Mr. Zaraif Ayaat Hossain | Member | 2 | 2 |

- Review of the earlier meeting decisions of the Nomination and Remuneration Committee.
- Find and recommend to form the pool of independent directors to the Board as required by the regulatory directive.
- Review and recommend to the Board suitable candidates for the Deputy Managing Director of the company.
- Review and recommend CEO's renewal for another three years with remuneration proposal.
- Review remuneration of the employees including top-level executives of the company.
- Review the succession plan of the company especially for the vital positions of various departments of the company.

Contingent to the nature of insurance business and to face the future development, the Nomination and Remuneration Committee emphasizes on finding and selecting qualified individuals with suitable skills and experience to develop the human resources pool of the company and recommend to the Board for the appointment of Directors with diverse qualification and experience.

Human Resources Department of Reliance Insurance PLC complies with all the regulatory requirements under the direct guidance of the top-management and the NRC, and efficiently faces the challenges posed to the company.

The Chairman of Nomination and Remuneration Committee, on behalf of all the members of the Committee extends gratitude to all the stakeholders, Management Team and especially the Board of Directors of Reliance Insurance PLC for their continued support during the year 2025 and expresses optimism for cooperation in the coming years.



**Mohammad Zahid Hossain FCA**
Chairman
Nomination and Remuneration Committee
Reliance Insurance PLC.

# RISK MANAGEMENT & CONTROL ENVIRONMENT



# Risk Management Framework

Risk management carries vital importance to any organization or industry for survival, whether to achieving its success or to sustain with its failure at their choice. The insurance industry in Bangladesh, particularly, the companies operating in the Non-life Insurance sector are increasingly facing new challenges of different nature over the years. To encounter such challenges, proper risk management is at the prime consideration. Increasing pressure is mounting up day by day on the insurers for implementation and professionalizing the existing risk management practices under the change environment.

The main benefit of efficient Risk Management for Insurers is that it emphasizes on the pragmatic risk management concepts, rather than merely technical calculations and maintaining detailed theory of safety compliance, which makes easier for even a layman to understand. What's more, all concepts and terms are applied to understandable illustrative examples and developments in the regulation with supervision are simple to follow.

Risk management, as appropriate, is recommended for risk managers, actuaries, controllers, as well as accountants, auditors, corporate finance managers, along with underwriting and reinsurance managers, investment managers, equity analysts and financial consultants, in particular.

Centuries ago, merchants were encouraged to take hazardous maritime adventures due to existence of insurance. If merchants undertook the risk and disaster struck aftermath, they would not be financially ruined had they taken prior insurance protection. The same social advantage is still existent today. The exciting ventures have changed somewhat in nature, but the ability to insure against various perils still enables individuals and organizations to take on risks that they would not otherwise undertake.

Policyholders reduce uncertainty by shifting their risks on to an insurance company. It is, therefore, quite obvious that insurance companies themselves are exposed to risk and uncertainty. Most of the major uncertainties centre around how many claims there could be and how much the insurer would require to pay for settling those claims. These uncertainties have a big influence on how much the insurer will charge as the premium for the insurance protection provided and how much the insurer needs to reserve for future claims payments including Claims incurred but not reported (IBNR). Other risks to the insurer include: recovery of fixed expenses, failure of other parties (e.g., brokers or reinsurers), fall in asset values and the insurance cycle, regulatory changes resulting in increase in fees and taxes

The size of the free reserves will influence the ability of the insurer to cope up with these risks as will reinsurance cover and the returns from investment policy.

Risk is a concept that denotes a potential negative impact to an asset which may arise from the present process or from any future event. In everyday usage, "risk" is often used synonymously with the probability of a known loss. Risk may also be perceived as the cumulative effect of the chances of uncertain occurrences that is likely to affect the project objectives adversely. More specifically, it is the degree of exposure to negative events and their probable consequences.

### Risk Defined

Risk is an integral part in our daily life and is associated with the probability of an unfortunate event to occur with its possible detrimental consequences. The fundamental feature of risk lies in the unpredictable and uncertain nature of the events, possible combination of hazards/ threats to any venture/life causing the possibility of loss. Risks may be categorized into two fundamental types, viz, speculative risks (where there are chances of gain/loss) and pure/operational risk (which is rather associated with unpredictable consequence of loss).

### Risk Management

An organization needs to analyse and comprehend critically the risks to which it is exposed and the possible quantum of loss associated with such risks. After obtaining clear understanding of the risk and consequences thereof, the management of an organization can make decisions about the acceptability or otherwise in relation to those exposures. Risk management thus enables a management to effectively deal with uncertainty and its associated risks along with the opportunity for capacity building. The fundamental objective of risk management is preservation of assets and earning power from potential loss or destruction.

The role of risk management in the operation of an insurance company, specially, in case of non-life insurance organizations, it is of immense importance. This is because enterprises prefer to transfer their risk on the insurer as a transfer mechanism which is part of their overall risk management and the insurer has to manage the acquired risks in such a competent way to operate their business with profitability even after adequately settling of claims to retain customer confidence as a trusted insurer. There lies the operational challenge for risk management on the part of a non-life insurance company, like Reliance Insurance.

The process of risk management can be viewed with the underlying five prime stages: i) identification of risk factors, ii) analysis of risk factors, iii) evaluation of risk, iv) risk inspection and reporting at regular interval, v) control / mitigation of risk, and finally, v) risk financing upon review of the ensuing risk factors for loss minimization.

### Risk Management Framework

Risk management framework of an enterprise is greatly influenced by the risk perception of its management. Risk perception among organizations may vary from one to another depending on the risk factors pertaining to the nature of venture, socio-economic threats, volatility of political and legal environment, possibility of act of god occurring in relation to geographical strata/position, etc. and finally, on the financial strength of the entrepreneur.

### Reliance's Challenges to its Risk

Considering the nature of business, Reliance actively seeks to retain risks as appropriate for which it has to emphasize on effective enterprise risk and capital management. Under the controlling influence of the Insurance Development and Regulatory Authority of Bangladesh (IDRA) while bolstering the operation of insurance business, Reliance always prefers to pay its due attention to the volatility of earning through proper decision-making process, improvement of underwriting skills and compliance with the corporate governance.

Additionally, Reliance leaves no stone unturned to face the challenges set by not only the customers, investors, rating agencies, and auditors but also by the regulatory body IDRA.

Risk management is a continuous process that involves assessment, monitoring and managing of risk factors commensurate with the corporate philosophy and objective towards achieving ultimate goal for a particular period.

Reliance Insurance prefers to rightly identify its corporate risks associated with internal and external forces. Such internal/external risks as addressed by Reliance Insurance include:

Operational risks in relation to insurance underwriting risks, regulatory risks and re-insurance risks (based on which Reliance has developed its underwriting policy / guideline). Apart from that Reliance has also developed its Human Resource policy in view of the operational risks for procurement/ retaining its efficient workforce to effectively encounter the operational hazards faced by of the company.

Strategic risks are mostly associated with the rival marketing moves for penetrating the insurance market. In order to achieve and retain its market position and steer toward betterment, Reliance insurance prefers to adopt its business strategy based on focus to market penetration and particular concentration to market segment which is greatly dependent on market intelligence or market information. Non-life insurance is a service, which is quite sensitive to overall risk perception prevailing in the country and to a great extent reliant on regulatory compliance and the country's socio-politico-economic conditions, thus managing strategic risks are quite regular phenomena.

Financial risks involve liquidity and investment risks, and claims reserving risks. To ensure transparency and accountability within the activities of the company is essential for managing financial risks. Reliance prefers a conservative investment policy guided by the Board and its performance in terms of liquidity position, investment portfolio, cash flow status, claims reserve position, etc. are regularly monitored by the Board. For such financial risk management, Reliance has an efficient internal control mechanism.

Environmental and technological risks are also ever emanating risks to which Reliance has been always attentive. Compliance in respect of IDRA rules, banking rules, taxation rules, safety rules, ICT rules, etc. are always ensured to a high degree. Besides, risks associated with technological changes are managed as well. In view of the need for being adaptive to modern information technology, Reliance has developed computer integrated insurance software (CIIS) to ensure faster and uniform quality of service and thereby manage the modern technological risks.

### Key Components of Risk

In modelling risk, experts pay special attention to the following key components of risk for each peril. The modelling tools described later will need reflect the following components of risk resulting from each peril.

Volatility refers to the amount of uncertainty or risk about the size of changes in a security's value. A higher volatility means that a security's value can potentially be spread out over a larger range of values. A lower volatility means that a security's value does not fluctuate dramatically, but changes in value at a steady pace over a period of time.

In Non-life insurance, for some types of business, the size of possible claims covers a very wide range, and there is consequent uncertainty as to whether the claims that have actually occurred can properly be regarded as typical of what might be expected to occur.

The variance of aggregate claim amounts will increase, if there is non-independence of risks. Therefore, accumulations of risk will increase the uncertainty relating to the variability in size of claims.

The higher the level of random variation, the smaller will be the portfolio of business. This problem is therefore greater for small companies (or small classes of business) where one would expect a larger variation from year to year.

Uncertainty is the inability to predict the future with confidence. Because of the presence of uncertainty, we need to consider the effects of possible deviations from the

projected figures. The greater the uncertainty, the greater the risk.

The uncertainties faced by a Non-life insurer can be considered under two main headings:

- Uncertainty as to the outcome of the business already written
- Uncertainty as to the premiums the insurer needs to charge in future to achieve a desired financial result.

## Types of Risks

### Underwriting Risk

Underwriting refers to the process that a large financial service provider (bank, insurer, investment house) uses to assess the eligibility of a customer to receive their products like equity capital, insurance or credit to a customer. The name has been derived from the Lloyd's of London insurance market in London, United Kingdom.

Financial bankers, who would accept some of the risk on a given venture (historically a sea voyage with associated risks of shipwreck) in exchange for a premium, would literally write their names under the risk information which was written on a Lloyd's slip created for this purpose.

Insurance underwriters evaluate the risk and exposures of the prospective clients. They decide how much coverage the client should receive, how much they should pay for it, or whether to even accept the risk and insure them. Underwriting involves measuring risk exposure and determining the premium that needs to be charged to insure that risk. The function of the underwriter is to acquire or to "write" - business that will make the insurance company money, and to protect the company's book of business from risks that they feel will make a loss. In simple terms, it is the process involving decision making and processing culminating in issuing of insurance policies.

Underwriting decisions would typically be influenced by PML (Probable Maximum Loss) evaluations, and the amount of reinsurance ceded on a risk would normally be predicated on the PML valuation. PML is the anticipated value of the largest loss that could result from the destruction and the loss of use of property, given the normal functioning of protective features (firewalls, sprinklers, and a responsive fire department, among others, in the case of a fire loss).

This number is usually smaller than the (MFL) maximum foreseeable loss, which assumes the failure of all protective features. At the most basic level, managing catastrophe risk involves ensuring that insurers and reinsurers are able to remain viable following losses from a 'probable maximum' event. For the most part, insurers and reinsurers approach PML management by planning for the eventuality of a large natural catastrophe and having quantified their risk accordingly.

A PML error could result from the accumulation of risk as in the case of attack on the Twin Towers, the PML was taken to be the Sum insured of one tower and the 9/11 attack was considered to be two events by the insurers. But when the final court verdict came, it was taken to be a single event and there was a PML bust which led many insurers to insolvency. WTC had shown just how necessary it is to perform in a worst-case accumulation analysis encompassing all property and Business Interruption (BI) losses, despite the fact that calculation of all potential BI exposures is a difficult task.

### Credit Risk

Credit Risk is the risk which occurs due to an uncertainty in a counterparty's (also called an obligor's or credit's) ability to meet its obligations. In assessing credit risk from a single counterparty, an institution should consider three issues:

**Default Probability**

What is the likelihood that the counterparty will default on its obligation either over the life of the obligation or over some specified horizon, such as a year? Calculated for a one-year horizon, this may be called the expected default frequency.

**Credit Exposure**

In the event of a default, how large will the outstanding obligation be when the default occurs?

**Recovery Rate**

In the event of a default, what fraction of the exposure may be recovered through bankruptcy proceedings or some other form of settlement?

### Market Risk

Market Risk is the risk to an institution's financial condition resulting from adverse movements in the level or volatility of market prices of interest rate instruments, equities and currencies. Market risk is usually measured as the potential gain/loss in a position/portfolio that is associated with a price movement of a given probability over a specified time horizon. Market risk is that the value of an investment will decrease due to moves in market factors and the three standard market risk factors are:

**Equity Risk**

Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money.

**Interest Rate Risk**

Interest rate risk is the risk that the relative value of an interest-bearing asset, such as a loan or a bond, will worsen due to an interest rate increase. In general, as rates rise, the price of fixed rate bond will fall, and vice versa. Longer dated bonds are more sensitive

to interest rate movements than short dated bonds. It is assumed that risk adverse investors will require compensation (in the form of higher yields) for the greater risk of loss on the longer bonds. This might explain some of the excess return offered on long-terms bonds.

**Currency Risk**

Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

### Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. However this definition includes legal risk but excludes systematic risk and reputational risk.

During the early part of the decade, much of the focus was on techniques for measuring the managing market risk. As the decade progressed, this shifted to techniques of measuring and managing credit risk. By the end of the decade, firms and regulators were increasingly focusing on risks "other than market and credit risk." These came to be collectively called operational risks. This catch-all category of risks was understood to include.

- Employee errors
- Systems failures
- Fire, floods or other losses to physical assets
- Fraud or other criminal activity

Operational risk has primarily emerged from banking industry. In banking industry thousands of transactions are processed each day therefore the amount of data in respect of losses arising from operation failures is more abundant. This naturally lends itself to the development of frequency and severity models to evaluate the aggregate loss distribution and hence the capital requirement.

Operational risk has been recognized as an important risk for insurers as well as for banks. But a challenge for insurer's in assessing operational risk is to separate this risk from the loss experience data typically collection for the other underwriting, credit and market risk. For example, insurer will need to examine the portion of their underwriting losses that are really due to ineffective or faulty underwriting processes or client management.

### Liquidity Risk

The risk that arises from the difficulty of selling an asset is perceived as the liquidity risk. An investment may sometimes need to be sold quickly. Unfortunately, an insufficient secondary market may prevent the liquidation or limit the funds that can be generated from the asset.

An institution might lose liquidity if its credit rating drops down, or it experiences sudden unexpected cash outflows, or some other event causes counterparties to avoid trading with or lending to the institution. A firm is also exposed to liquidity risk if markets on which it depends are subject to loss of liquidity.

From insurance context, liquidity risk is the exposure to loss in the event that insufficient liquid assets will be available from among the assets supporting the policy obligations to meet the cash flow requirements of the policyholder obligations when they are due.

### Conclusion

Over the last decades, the insurance industry has grown increasingly sophisticated in its ability to understand and manage risk with a view to engaging in sustained development. Following a string of natural catastrophes from 1989 to 1994, insurers-reinforced by the activities of modellers, rating agencies, reinsurers, and the capital markets – made a priority to quantify their risk and manage their exposures to acceptable levels. More recently, industry leaders have begun to take a more holistic view of risk, capital, and return.

Data on extreme events are rare by definition, and the unprecedented level in quantum of loss is forcing on to open up the issues that have long been discussed largely, particularly among specialists in the risk management community. The main focus is in respect of: i) What is a Probable Maximum Loss (PML)? ii) What is the correlation between catastrophe claims and the value of assets needed to make the payments? iii) To what extent is reinsurance recoverable in the aftermath of a super catastrophe (CAT)? and iv) Is the industry adequately capitalized and prepared to support its risk accumulation? and so on. Furthermore, under the post COVID-19 situation, necessities may rise in many facets to bring in great changes in the entire risk management framework.

# Risk Mitigation Methodology

Risk mitigation is a vital consideration for risk management as risk can never be eliminated in full, it can merely be minimized to a certain reasonable extent. Risk management decisions, therefore, involve physical loss prevention measures and risk financing tools toward minimizing risks associated with it.

**Physical loss preventive measures include:**



Compliance of a number of safety rules guided by Factories Act, Building Code, etc.



Installation of proper fire-fighting equipment, checking performance of those equipment and apply improvements wherever required, conduct fire drill at regular intervals with proper record



Maintenance of clean, wholesome and apparently risk free environment for the workers as well as for the overall workplace.

Risk financing tools include decisions regarding partial risk retention with acceptance limit and spreading/transfer of the remaining portion of risk.

## Risk mitigation and transfer

It is imperative for an insurer to take different steps to lessen the risk associated with its business. These include: purchase of adequate reinsurance protection, securitization of a portion of its asset or liability portfolio, hedging of financial guarantees using derivative instruments, use of product design to pass on the risk to policyholders as well for active risk management to the extent that these measurers effectively reduce a company's risk. Appropriate attention and recognition should be given in the calculation of a company's required capital. The difficulty lies in properly assessing the actual degree of risk with regard to short term and long term economic, technical, and regulatory changes that has been transferred from the insurance company in these arrangements.

## Reinsurance

Reinsurance is an insurance company's own insurance placement, whereby the insurance company passes on some of its risks to another party – a reinsurer.

Reinsurance is primarily a means of reducing an insurer's underwriting risk, allowing it to expand the scope of its business. The cost of transferring risk to a reinsurer is lower than the solvency capital cost the insurer would bear if it retained the risk in its portfolio, because reinsurer benefit from better risk diversification than a primary insurer.

**Reasons for using reinsurance:**

- Reducing the effects of large single losses
- Minimising impact of risk accumulation and catastrophic losses
- Smoothing of results
- Availability of expertise
- Increasing capacity to accept risk
- Financial assistance.
- Reducing the effects of large single losses

What is large to an insurer will depend on the size of the free assets available. A very large Fire Loss on a high valued industrial unit may upset the results of the portfolio for the entire year. Many risks in insurance have very high payout limits; some may even offer unlimited cover. Many small to medium sized insurance companies would prefer to cede a top slice or potentially large pay-outs to reinsurers as cover against this eventuality. This is especially true in liability lines of business where excess of loss reinsurance is a commonplace. A simple example of such use of reinsurance is motor insurance. Liability claims can be very large, Insurance companies may want to limit or cap their exposure to such claims to help control the impact on the free reserves or profits.

### Minimising impact of risk accumulation and catastrophic losses

Losses due to conflagration, manmade disasters and natural catastrophes obviously create huge liability for an insurer and this calls for properly designed adequate Reinsurance protection from financially sound Reinsurers. The insurers potential liability from such events need to be assessed, also taking into account of geographical spread and accumulation of losses.

### Smoothing of results

The principle whereby reinsurance covers the larger risks or accumulation of smaller risks above certain limits helps to achieve a smooth development of accounts year-on-year, especially when the portfolio is relatively immature. A premium is paid to mitigate these fluctuations and the net result is more predictable for the insurer, a predictability that may also be more acceptable to shareholders and regulators. Stop loss is a form of reinsurance that is used for these purposes.

### Availability of expertise (new or unusual risks, new territories)

Such assistance is more likely to come from a reinsurance broker than from the reinsurer directly. For example, when an insurer is adopting a strategy that will take it into new risk areas where it has little previous experience, the reinsurance broker can sometimes help with rating, underwriting and claims management. Leading Reinsurers, having broad relationship with an insurer, also extend their services for developing a new class of business.

### Increasing capacity to accept risk (Singly or cumulatively)

Owing to insufficient capital backing, an insurer may be reluctant to accept, or incapable of accepting, particular risks by sector or by volume. An insurer may also be reluctant to accept a particular risk if it would be exposed to an accumulation of risk as a result. Reinsurance cover can obviate this situation. The solvency requirements for a particular line of business are normally reduced in line with the proportion ceded, though this may be subject to an upper limit. Surplus treaty or excess of loss reinsurance might be used here.

### Financial assistance (New business , merger/ acquisition, bolstering free-assets)

To a lesser extent than in life insurance, reinsurance funds are available to assist financially with particular business propositions. Where a particular distribution strategy would involve substantially more cash outflow in the initial stages than premium income, reinsurance commission may be available to "factor" future surplus streams, i.e., lend now against the predicted future flows of premiums less expenses and claims.

### Hedging

In finance, a hedge is an investment that is taken out specifically to reduce or cancel out the risk in another investment. Hedging is a strategy designed to minimize exposure to an unwanted business risk, while still allowing the business to profit from an investment activity.

A natural hedge is an investment that reduces the undesired risk by matching cash flows, i.e., revenues and expenses. For example, writing both life insurance and life contingent annuities for similar groups of policyholders may help to provide a hedge against the impact of improving mortality. One of the oldest means of hedging against risk is the purchase of insurance to protect against financial loss due to accidental property damage or loss, personal injury, or loss of life.

Introduced in 2000 by the National Stock Exchange, derivatives are a different breed of financial products whose value is derived from an underlying instrument, such as: an index, a stock, a currency or a commodity. Thus, instead of directly investing in a stock, invest in an instrument whose value is dependent on the price of that stock. Futures and options are two popular and actively traded derivative instruments in the Indian stock market.

In particular, we can use derivatives to reduce the exposure of our portfolio to the risk of adverse movements in the market price of the underlying assets. If, for example, we are concerned about falls in the investment market, we might buy put options. By guaranteeing the price at which we can sell out assets - this removes the risk of market falls. We will still, however, enjoy the resulting profits should the market instead go up.

Derivative contracts, therefore, provide us more control over the market risks that we face; thereby increasing our opportunity set of possible risk and return combinations. Moreover, if we hold suitable derivatives and the underlying assets in appropriate combinations, then we can sometimes eliminate almost all of the market risks facing our portfolio although other risks like lack of marketability or credit risks will still remain.

Risk financing tools include: decisions regarding partial risk retention with acceptance limit and spreading / transfer of the remaining portion of risk. Thus, one of the vital risk-minimizing tools is insurance; because insurance is a mechanism of spreading or transferring the risk of one onto the shoulders of many. It has two fundamental features: one is shifting of risk from one individual to a group, and the other is sharing of losses on equitable basis by all members of the group.

Whilst it becomes almost impossible for an individual to bear the entire loss of one's property or interest by oneself arising out of unforeseen contingency, risk financing method allows the aggrieved individual to shift the burden of loss on others within the group.

# Disclosure of Risk Reporting

Disclosure of Risk Reporting: Reliance Insurance though cannot eliminate risks of its clientele, but through its experience of efficient risk management practice, endeavours to set forth its commitment to help its clients in loss minimization or provide advisory support for loss prevention and thus makes the client to manage a better risk to insure as well.

A properly customized design of risk management system for any enterprise necessitates complete disclosure of risk reporting, in particular of: (a) risk identification (b) risk control and (c) risk financing matters.

**The basic risk specific information which needs to be gathered and recorded are:**

A Disclosure of risk in respect of date and time of occurrence of the incident along with its corresponding extent of loss

B Internal enquiry report which identify the possible cause of such incident, measures taken to control the loss, regular safety compliance and maintenance records, etc. - all of which must be documented so that proactive measures for loss prevention can be prescribed.

It is also imperative for an enterprise to ensure all environmental safety compliances and the enterprise must not be responsible for any casualty due to any default/ negligence in construction and maintenance of their factory / office premise.

Disclosures relating to Risk reporting ensure proper identification of physical hazards based on risk factors, analysis on appropriate measures to control risks and the last but not the least, to decide on the extent of risk financing. Reliance Insurance, through their expert professionals time and again imparts awareness to the clients toward achieving the objectives of how to analyse the risk factors associated with different activities, observe how risks can affect decision making process, and how operational risks can be managed properly by arranging adequate insurance protection.

Transparency is the key to the existing risk management system that Reliance Insurance always encourages its clients to maintain; Risk reporting disclosure ensures such transparency. It helps maintaining records to aid in risk inspection properly and thus arrange for proper insurance protection and provide further advisory support for better risk management.

Reliance Insurance thus ensures/ encourages proper risk management of their clients that benefits them for saving resources. The clients' time, assets, property, income, and people - all are valuable resources that can be saved if fewer claims occur. Proper risk management also ensures protecting the reputation and public image of the clientele, preventing or reducing legal liability and increasing the stability of operations; it creates awareness in protecting people from harmful events, and thereby protecting the environment by enhancing competence and efficiency by reducing liabilities, and also assisting in clearly defining insurance needs. Our concerted efforts thus aid to control overall manufacturing and business environment. After all, following a loss while the economic consequences are made up through the mechanism of Insurance, we can never make up the effects of the loss on human beings, to the society, country and world at large.

# Information on Company's Internal Controls

Internal Control is a system consists of all the policies and procedures (Internal Controls) adopted by the Audit Committee, by the management of Reliance to assist in achieving management's objective of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The internal control system extends beyond these matters which relate directly to the functions of the accounting system.

Internal Control is a continuous set of process carried out by the Board of Directors, the Audit Committee, management and all personnel, designed to provide reasonable assurance of:

- Effectiveness and efficiency of operations.
- Reliability of financial and non-financial information.
- An adequate control of risks.
- A prudent approach to business.
- Compliance with Laws and Regulations, and internal policies and procedures.

Internal control should strengthen the internal operating environment of the Company, thereby increasing its capability to deal with external and internal events and uncover possible flaws and deficiencies in process and structures.

The Auditor should obtain the understanding of the accounting and internal control systems sufficient to plan the audit and develop the effective audit approach. The auditor should use professional judgment to assess audit risk and to design audit procedures to ensure it is reduced to an acceptably low level.

Audit risk has mainly three components: (a) Inherent Risk (b) Control Risk (c) Detection Risk.

**INHERENT RISK**

In developing the overall audit plan, the auditor should assess inherent risks at the Financial Statement level. In developing the audit program, the auditor should relate such assessment to material account balances and classes of transactions at the assertion level, or assume that inherent risk is high for the assertion.

**CONTROL RISK**

The assessment of control risk is the process of evaluating the effectiveness of the company's accounting and internal control systems in preventing or detecting and correcting material misstatements. There will always be some control risk because of the inherent limitations of any accounting and internal control system.

**DETECTION RISK**

The level of detection risk relates directly to the auditor's substantive procedures. The auditor's control risk assessment, together with the inherent risk assessment, influences the nature, timing and extent of substantive procedures to be performed to reduce detection risk, and therefore audit risk, to an acceptably low level. Some detection risk would always be present even if an auditor were to examine 100 percent of the account balance or class of transactions because, for example, most audit evidence is persuasive rather than conclusive.

## INTERNAL CONTROL PRINCIPLES

The following principles will be applicable to insurance undertakings' internal control:

### A. CONTROL CULTURE

The Board of Directors is responsible for promoting a high level of integrity and for establishing a culture within the Company that emphasizes and demonstrate to all levels of personnel the importance of internal control. Management is responsible for the implementation of the internal control culture and principles. All personnel need to understand their role in the internal control process and be fully engaged in the process.

A good Internal Control Culture helps mitigate reputation risks. Reputation is the resulting image of the Company, and relies on aspects such as relationship with customers, quality of services and products, transparency, as well as profit to shareholders.

All personnel within the Company have an Internal Control responsibility. It is therefore essential that all of them understand the importance of internal control and engage actively in the process according to their responsibilities and specific duties. Written codes of conduct should be drawn up. Responsibilities, accountability, procedures, information and reporting channels amongst others should be documented as appropriate.

Competence should reflect the knowledge and skills needed to accomplish different tasks. The Audit Committee or the Management should specify the competence levels, knowledge and skills for particular jobs.

### B. RISK ASSESSMENT

In establishing and maintaining an effective system of internal control an insurance undertaking should regularly assess both the internal and external risks that it faces. Assessment should include the identification and analysis (using quantitative and/ or qualitative tools) of all the significant risks that Reliance is exposed to, and act accordingly.

- The Company's risk assessment activities should be proportionate to the size and complexity of its business. The Company's approach to risk assessment should also be influenced by the nature of the risks that it faces.

  The Company should assess:

  a) the risks that it is in the business of taking, for example, underwriting risks, provisioning risk and market risk.

  b) Any other relevant risks that it is not in the business of taking, but which are a by product of its business activities. For example, internal governance, and control risk, business continuity risk, people risk.

  c) The business opportunities underlying the different risks.

- The Company should plan and document its risk assessment objectives, as well as the assumptions and methodologies that it intends to use when assessing its risks.
- Attention should be paid to the different importance and incidence of risks for different products.
- The level of risk tolerance should be established by the Audit Committee / or Management of the Company, and reviewed on a periodical basis, at least annually.
- Risk assessment should be on-going, with processes such as risk identification and analysis repeated as necessary. In addition, the whole assessment process should be benchmarked within the Company, and reviewed periodically, as new risks appear, and existing ones may change.
- The Company should create an appropriate culture and controls to support its risk assessment activities. This culture should encourage staff from all parts of the Company to contribute to the identification and analysis of risk.

### C. CONTROL ACTIVITIES AND SEGREGATION OF DUTIES

An adequate Internal Control system requires the implementation of effective and efficient control activities at all levels of the Company. They should be implemented by the management in line with the goals and strategies set up by the Board of Directors, should involve all

personnel. As an integrated part of daily business, these activities should be reviewed and recorded on an on-going basis. Efficient Internal Control system of Reliance demands an appropriate segregation of duties and clear lines of responsibilities, both at individual level and between functions.

- Control activities should be linked to the risk assessment process, as long as they tackle those risks previously identified and analyzed by the insurance undertakings. They should address efficiently the process of defining adequate limits for exposure to risk as well as policies and procedures aiming to adjust business activities to the strategic decisions the risk profile.
- In general, control activities should not only serve to detect but also to prevent problems.
- Control activities should be carried out through all levels of the Company enhancing transparency of every business activity and involving the Board of Directors, the management and all other personnel of the Company in those activities.
- Control activities consist of a variety of procedures and policies. Specific control activities should be defined and implemented for the main activities within the Company, including the following:

    1. Underwriting Policy- Control activities should ensure that underwriting activities are in line with strategic goals and internal risk tolerance policies, ensuring that the product design is accompanied by a technical analysis of the risk profile, in order to ensure correct premium pricing.
    2. Distribution Channels- There should be clear rules for all distribution channels, with defined responsibilities for the supervision of both internal and external persons involved in distribution.
    3. Claims Management- The processing and follow up of claims, as well as their amount and frequency should be accurately documented. This should be done both for each claim and for every Branch the underwriting is authorized to operate.
    4. Investment Policy- including control of operations with derivatives and safeguarding of assets. Insurance undertakings should define an investment policy in accordance with their commitments. A continues follow-up of its content, the investment policy, and the degree of compliance with it should be done within the Company. Special attention should be paid to financial derivatives through the establishment of detailed internal rules which should be closely observed. Such rules should be determined the maximum acceptable risk exposure.
    5. Fulfillment of the solvency requirement- Analysis of the solvency implications of the business written, to ensure that there are sufficient economic resources to absorb losses that may occur from technical or other risks.
    6. Accounting Policy- Control activities must ensure that accounts give a true and fair view of a company's assets and liabilities, its financial position, and whether it is compliant with applicable laws and regulations e.g. Internal Control systems should foresee the reconciliation of accounts.
    7. Protection of the Insured/Assured- The Company should implement effective systems to deal with policyholders' claims and complaints.
    8. Control of the Reinsurance Program and other risk transfer instruments- A good reinsurance program should be seen as an essential mechanism for the undertakings to lesson their exposures. Thus effective protection depends on the sufficiency and adequacy of the reinsurance program, as well as on the quality and solvency of the reinsurers.
    9. Information systems- Control activities must ensure that accurate information is provided on a timely basis. Information systems should allow the recording of all transactions made by the Company.
    10. Anti-money Laundering Procedures- Control activities must ensure that adequate measures are taken to investigate suspicious transactions.

### D. INFORMATION & COMMUNICATION

Insurance Undertakings should have reliable information at all levels within their organization, in order to define, achieve and review the objectives set by the Board of Directors, through effective decision-making processes. Internal Control system should be internal as well as external, and may include both formal and informal paths.

- Insurance Undertakings should have both financial and non-financial information relating to the post and current situation of the Company, obtained both internal and on external bases. The same rule of thumb should apply to operational data, for example data on compliance with external regulations and internal procedures.
- Information should have at least the following characteristics and information gatherings controls should reflect these:

    (1) Accurate: information should be contrasted and verified upon being obtained and prior to use.

    (2) Complete: information should cover all relevant aspects of the undertaking on quantitative and qualitative terms, as well as indicators which only have a direct and indirect impact on the business plan.

(3) Timely: information should be available on a timely basis, so as to facilitate effective decision making thereby enabling the undertaking to anticipate and react to furniture events.

(4) Consistent: information should be recorded using models which allow for information to be compared both horizontally and vertically.

(5) Transparent: information should be presented in a manner which is easy to interpret, ensuring that the key elements of the information are clear.

(6) Relevant: All information used should relate directly to the purpose for which is required, as well as being reviewed and improved continuously to ensure that it is consistent with the needs of the Company.

- Accounts department should be compliant with all the aforementioned characteristics for information as well as with their applicable legislation.
- Management should be responsible for ensuring all employees are familiar with their roles, responsibilities and duties in relation to internal control, as well as the objectives of the undertaking. Employees should be aware of the importance of Internal Control in relation to their work as well as the Company's goals. They should know and understand the Company's strategic objectives and organizational plans. Guidance on technical and accounting information which may affect the performance of the job should be given.
- Information coming from third parties on the deficiencies or weakness of the undertaking's Internal Control should be seriously considered when improving Internal Control systems.

### E. INFORMATION AND COMMUNICATION TECHNOLOGIES

Insurance Undertakings should implement Information and Communications Technology (ICT) systems appropriate to the activities they carry out, their strategies and needs. Security controls for the risks inherent in ICT should be established to effectively enhance management of these risks, allowing the Company to recognize both the potential benefits and the associated risks of such systems.

### F. MONITORING

Insurance Undertakings should implement appropriate systems to monitor their Internal Control's efficiency and effectiveness. Monitoring should be carried out on an on-going basis, complemented with separate evaluations.

As an integral part of an internal control system, and in keeping with the diversity and complexity of the insurance undertaking's activity, there should be an effective and comprehensive internal audit carried out by operationally independent, appropriately trained and competent staff.

The internal audit function should be conducted through a professional audit program designed to provide reasonable assurance that Internal Control objectives are met. An effective internal audit function should also comprise a follow-up process on audit findings in order to assure that they are being adequately dealt with adequately.

- The Internal Control system should be monitored in a continuous way in order to assure that, in the face of internal and external circumstances, compliance there with is maintained. Design of the Internal Control system should include embedded monitoring of operations and performances. Accounts ability for the monitoring processes should be clearly identified and stated.
- Apart from being part of the daily activities of the insurance undertakings, monitoring should also include periodic evaluations of the overall internal control system. Separate evaluations should help obtain an all-round perspective of the situation of the Company thus providing the Board and Management with important data for decision making.
- Monitoring should include procedures to detect gaps and problems. Further, these problems should be registered and documented.
- The internal audit function should have sufficient authority to carry out its responsibility, objectively and independently. To ensure appraisals are made without bias or influence, the internal audit should be independent of the day to day functioning of the insurance undertaking.
- Considering the importance of this function, the internal audit should be staffed with competent, qualified, well-trained and independent people who should have a clear understanding of their role and responsibilities.
- The internal audit function should conduct follow-up reviews in order to ensure that the necessary measures to address the deficiencies have been taken.

### NEED FOR INTERNAL CONTROLS

From the insurance sector point of view, Internal Control should be seen as an opportunity for the Company to improve their performance, both from an internal and an external perspective.

Internally, good Internal Control systems lead to improved recognition, assumption and prevention of risks, which is of prime importance in a sector with the particularities of Insurance, which is about findings business opportunities in risks. Also competitiveness will be fostered by appropriate controls not only in the short but also in the long term. Finally, it will help reduce the impact of unexpected events, or even to avoid them altogether, for example by means of good early warnings or scenario testing.

Externally, appropriate Internal Control systems will have a positive impact on policyholders, supervisors and shareholders.

# STAKEHOLDERS' INFORMATION



# Investors-Friendly Information

**A clear view of performance, profitability, and shareholder value—where strong returns, steady dividends, and disciplined growth reflect our commitment to building lasting investor confidence. Backed by resilient premium growth and prudent claims management, these indicators highlight a balanced approach to risk, efficiency, and long-term value creation.**

**16.36%**
NET PROFIT MARGIN

**4.60%**
DIVIDEND YIELD

**30%**
DIVIDEND CASH

**19.17%**
RETURN ON EQUITY

**5,410.38 MN BDT**
GROSS PREMIUM

**354.75 MN BDT**
NET CLAIMS

### Net Profit Margin

If we aren't making money, our sales are worthless. Investors are also interested in knowing our profit margins, both globally and for each individual product. They contrast our margins with those of our rivals and with the other investment opportunities they offer. Investor returns are typically better when margins are higher.

### Dividend

Diverse factors contribute to RIPLC paying dividends, and developments may have various ramifications and interpretations. As compensation for their faith in a company, dividends are expected by the shareholders, and the RIPLC management strives to uphold this sentiment by maintaining a strong track record of dividend payments.

### Return on Equity

The return on equity ratio, also known as the ROE, is a profitability metric that assesses RIPLC's capacity to make money from the investments of its shareholders. The RIIPLC management's success in using equity financing to support operations and expand the business is also indicated by ROE. RIPLC made 19%.

### Gross premium

The total premiums collected for the entire period of coverage provided by contracts entered into during the accounting period make up gross general insurance premiums. They are acknowledged in the year that the policy was issued, which is BDT. 5,410 million.

### Net Claims

A claim for payment of the benefit as specified by the policy made by the insured or the insured's beneficiary would total BDT 355 million.

### Debt Equity Ratio

A financial ratio called the debt-to-equity ratio compares a company's total debt to its total equity. The debt-to-equity ratio reveals how much of a company's funding is provided by creditors and investors. A higher debt to equity ratio means that bank loans are used more frequently than investor financing from shareholders.

| Month | DSE | | | CSE | | | Total Volume on DSE and CSE |
|---|---|---|---|---|---|---|---|
| | High Taka | Low Taka | Volume | High Taka | Low Taka | Volume | |
| Jan-25 | 57.1 | 54.7 | 66,640 | 57.5 | 56.5 | 247 | 66,887 |
| Feb-25 | 58.1 | 57.0 | 165,263 | 56.5 | 56.5 | 0 | 165,263 |
| Mar-25 | 57.5 | 52.8 | 159,088 | 56.5 | 56.5 | 0 | 159,088 |
| Apr-25 | 54.5 | 51.5 | 60,819 | 56.5 | 56.5 | 0 | 60,819 |
| May-25 | 51.9 | 48.0 | 122,272 | 56.5 | 56.5 | 0 | 122,272 |
| Jun-25 | 53.4 | 48.0 | 34,962 | 56.5 | 56.5 | 0 | 34,962 |
| Jul-25 | 61.4 | 51.9 | 227,581 | 57.8 | 52.6 | 63,156 | 290,737 |
| Aug-25 | 65.4 | 58.0 | 392,840 | 63.5 | 57.8 | 100 | 392,940 |
| Sep-25 | 68.0 | 62.7 | 147,579 | 63.5 | 63.5 | 900 | 148,479 |
| Oct-25 | 72.1 | 64.8 | 698,797 | 72.3 | 69.8 | 4,503 | 703,300 |
| Nov-25 | 67.5 | 57.7 | 83,892 | 74.0 | 58.2 | 100 | 83,992 |
| Dec-25 | 66.6 | 63.1 | 73,551 | 58.2 | 58.2 | 0 | 73,551 |

# Reporting of Corporate Benefits to Shareholders

## (Value Appreciation, Dividend, Capital Appreciation)

Reliance Insurance PLC. understands the paramount importance of transparently reporting corporate benefits to its valued shareholders. By consolidating critical information, including value appreciation, dividends, and other shareholder benefits, into a single comprehensive report, Reliance ensures clarity and ease of understanding for its stakeholders.

The report provides a comprehensive snapshot of the company's performance and commitment to shareholder value. It showcases the trajectory of value appreciation reflecting Reliance Insurance's sustained growth and market competitiveness. Dividends, a tangible reward for shareholders, are clearly outlined, reinforcing the company's dedication to distributing profits and maximizing investor returns.

This consolidated approach not only simplifies shareholders' assessment of their investments but also facilitates informed decision-making. Whether considering reinvestment options or evaluating long-term strategies, having all pertinent information readily available empowers shareholders to make sound choices aligned with their financial goals. Reliance Insurance PLC.'s commitment to transparency and accountability is evident in its practice of centralizing corporate benefit reporting. By providing shareholders with clear, concise, and accessible information, Reliance reaffirms its status as a trustworthy partner in their financial journey.

### Capital Appreciation

Reliance Insurance PLC demonstrated significant capital appreciation in 2025, reflecting strong financial performance, strategic growth initiatives, and investor confidence. The increase in market value of our shares underscores our resilience, prudent risk management, and commitment to sustainable shareholder value. Driven by robust underwriting results, operational efficiencies, and adherence to corporate governance, our stock price appreciation highlights the company's long-term growth potential. As we continue to adapt to market dynamics and expand our offerings, we remain committed to delivering superior returns and maximizing shareholder wealth.

# Grievance Redressal Mechanism for Investors

In the insurance industry, prioritizing client satisfaction is crucial for retaining existing clients and attracting new business, ultimately fostering sustainable long-term growth. RIPLCC places a high emphasis on addressing client complaints promptly, whether they pertain to services rendered or claim settlements. The company actively encourages clients to voice their concerns and ensures that top management remains easily accessible to address them. Clients can lodge complaints through written correspondence, telephone calls, or email. Regular client meetings are held to solicit feedback on RIPLC's services, identify any shortcomings, and gather suggestions for improvement. Client feedback and complaints are thoroughly discussed during management committee meetings at the Corporate Office as well as during sessions with Branch Managers. Additionally, these topics are prominently featured at the Company's Annual Conference.

**Service Provided to Shareholders-2025:**

| | |
|---|---|
| Dividend Status (Unpaid) | **38,42,460.24** |
| Enquiries about Dividend Tax Deduction | **115** |
| Reissue of Dividend TAX Certificate | **50** |
| Revalidated Dividend Cheque | **0** |
| Physical Share Transfer | **0** |
| Lost of Physical Share | **0** |
| Dematerialization of Shares | **0** |
| General Enquires | **150** |

### Statement of Complaint Management Process:

Process for redressing investor complaints: RIPLC firmly believes that every shareholder should be treated fairly. We prioritize resolving complaints, and we've promised to use the proper channels to address shareholders' complaints in a timely manner. A Complaint Management Policy is in place to guarantee efficient stakeholder engagement and to uphold stakeholder rights and accountability. The Directors are in charge of carrying out and monitoring the policy's compliance.

**Investor Relation Department**
Reliance Insurance PLC.
Reliance Insurance Tower (9th to 13th Floor),
Plot# 11, Block-CWS (C), South Avenue,
Gulshan-1, Dhaka-1212.

**Key Activities during the year 2025**

Annual General Meeting via Online Virtual Platform

Year-round conferences, phone calls, and email exchanges with shareholders and analysis.

Number of Complaints Solved per month:
**30+ complaints**

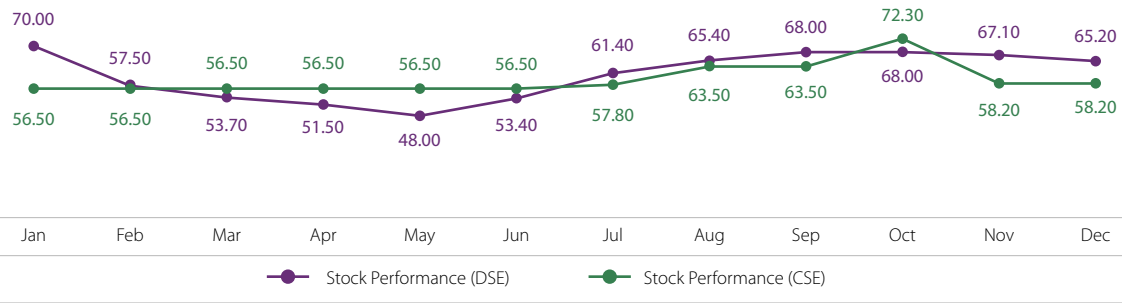
Nature of complaints:
**Dividend, demat, tax certificate, share certificate, etc.**

Average time taken to resolve:
**10 to 20 minutes**

# Share Price Sensitivity Analysis

## Stock Performance 2025

BDT




## Closing Price Graph of RELIANCINS

Price

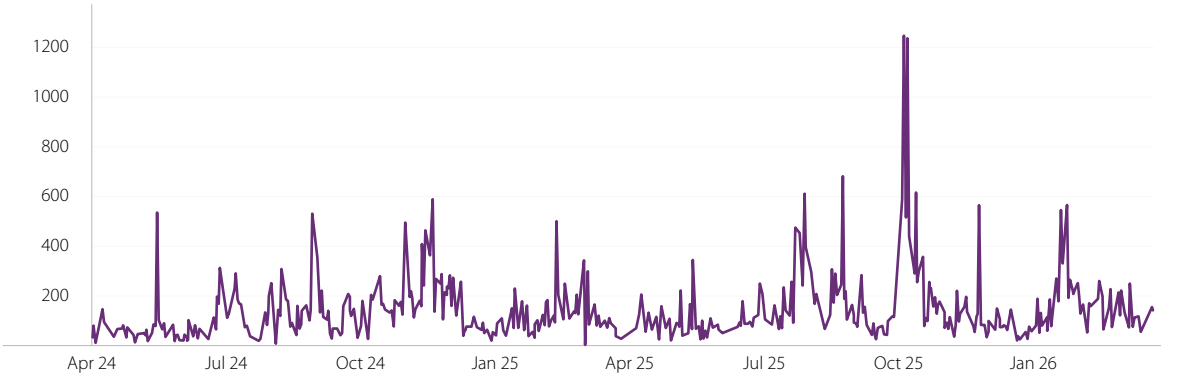



## RIPLC's Market Capitalization Fund

| Year | Last price for Dec 30-12-25 | Total Outstanding Securities Dec 30-12-25 | Market Capitalization Fund (B*C) |
|---|---|---|---|
| 2019 | 43.5 | 105,161,087 | 4,574,507,285 |
| 2020 | 62 | 105,161,087 | 6,519,987,394 |
| 2021 | 87.5 | 105,161,087 | 9,201,595,113 |
| 2022 | 58.4 | 105,161,087 | 6,141,407,481 |
| 2023 | 68.5 | 105,161,087 | 7,203,534,460 |
| 2024 | 57.2 | 105,161,087 | 6,015,214,176 |
| 2025 | 65.2 | 105,161,087 | 6,856,502,872 |

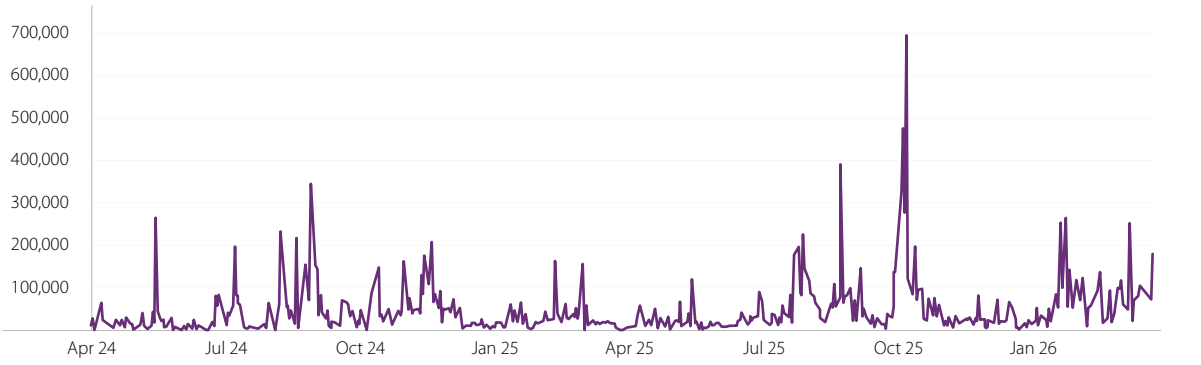
## Total Trade Graph of RELIANCINS

Trade




## Total Volume Graph of RELIANCINS

Volume




| Financial Calendar | Announced On |
|---|---|
| Audited Consolidated results for the year ended 31 December 2025 | 26-02-2026 |
| Unaudited Results for the first quarter ended 31 March 2025 | 14-05-2025 |
| Unaudited Results for the second quarter and half-year ended 30 June 2025 | 29-07-2025 |
| Unaudited Results for the third quarter ended 30 September 2025 | 29-10-2025 |

| Distribution of Dividend | Details |
|---|---|
| Cash Dividend %(On 37th AGM ) | Cash: 30% |
| Announcement Date | February 10, 2025 |
| Record Date | March 03, 2025 |
| Annual Report Distribution Date | March 09, 2025 |
| Notice of 37th Annual General Meeting | March 04, 2025 |
| 37th Annual General Meeting | March 25, 2025 |

| Particulars | DSE | CSE |
|---|---|---|
| Scrip Code | 11004 | 11004 |
| Company ID | RELIANCINS | RELIANCINS |
| Listing Year | 1995 | 1995 |
| Market Category | A | A |
| Electronic Share | YES | YES |
| Total Number of Securities | 105161087 | 105161087 |

Availability of information about Reliance Insurance PLC Annual Report 2025 and other information about RIPLC may be viewed on RIPLC's Website: www.reliance.com

**Corporate Office**

Reliance Insurance PLC.
Reliance Insurance Tower (9th to 13th Floor), Plot# 11, Block-CWS (C),
South Avenue, Gulshan-1, Dhaka-1212.

# Disclosure of Shares Held by Directors/ Executives and Relatives

Pattern of shareholding as on 31st December, 2025 as required by revised corporate governance guidelines issued by BSEC:

| SL | Name of Shareholder | Description | Number of Shares | Amount (Taka) face value | % |
|---|---|---|---|---|---|
| **A. Parent/Subsidiary/Associated Companies and other related parties (name wise details along with minimum shareholding)** | | | | | |
| **B. (i) Company representative directors and their spouses and minor children (name wise details)** | | | | | |
| 1 | Ms. Shahnaz Rahman | Chairman | 7,562,771 | 75,627,710 | 7.19 |
| 2 | Ms. Farhana Karim | Vice Chairman | 10,958,660 | 109,586,600 | 10.42 |
| 3 | Ms. Samira Alam | Director | 3,265,604 | 32,656,040 | 3.11 |
| 4 | Mr. Iftekharul Huq | Director | 3,447,604 | 34,476,040 | 3.28 |
| 5 | Mr. Zaraif Ayaat Hossain | Director | 7,562,573 | 75,625,730 | 7.19 |
| 6 | Mr. Imran Faiz Rahamn | Director | 6,452,104 | 64,521,040 | 6.14 |
| 7 | Mr. Shamsur Rahman | Director | 4,111,678 | 41,116,780 | 3.91 |
| 8 | Mr. Rajiv Prasad Shaha | Director | 6,868,227 | 68,682,270 | 6.53 |
| 9 | Ms. Sabrina Shama Chowdhury | Director | 3,727,709 | 37,277,090 | 3.54 |
| 10 | Ms. Amiran Hossain | Director | 6,666,649 | 66,666,490 | 6.34 |
| 11 | Ms. Shahzreh Huq | Director | 2,494,880 | 24,948,800 | 2.37 |
| 12 | Ms. Srimati Shaha | Director | 2,103,515 | 21,035,150 | 2.00 |
| 13 | Mr. Abdullah Al Mamun, FCA | Director | 4,513,441 | 45,134,410 | 4.29 |
| 14 | Ms. Nafisa Rahman Siddiqui | Daughter of Mr. Shamsur Rahamn | 1,153,033 | 11,530,330 | 1.10 |
| 15 | Ms. Fahreen Rahman | Daughter of Mr. Shamsur Rahamn | 1,153,033 | 11,530,330 | 1.10 |
| **B. (ii) Independent Directors (name wise details)** | | | | | |
| 1 | Mr. Md. Habibur Rahman Mollah FCA | Independent Director | - | - | - |
| 2 | Ms. Maria Howlader FCA | Independent Director | - | - | - |
| 3 | Mr. Mohammad Zahid Hossain FCA | Independent Director | - | - | - |
| **B. (iii) CEO, CFO/Financial Controller, Company Secretary & Head of Internal Audit & Compliance and their spouses and minor children (name wise details)** | | | | | |
| 1 | Mr. Md. Khaled Mamun, FCII (UK) | Managing Director & CEO | - | - | - |
| 2 | Mr. Badal Chandra Rajbangshi, FCA, FCS | CFO | - | - | - |
| 3 | Mr. Mohammad Mamunur Rashid | Company Secretary | - | - | - |
| 4 | Mr. Md. Sajedul Haque, FCA | Head of Internal Audit and Compliance | - | - | - |
| **C. Executives [Top 5 salaried employees]** | | | | | |
| 1 | Mr. Md. Shafiul Azam Khan | Deputy Managing Director | - | - | - |
| 2 | Mr. Md. Shamim Khan | Assistant Managing Director | - | - | - |
| 3 | Mr. Hara Krishna Roy | Assistant Managing Director | - | - | - |
| 4 | Mr. Syed Qayem Hussain | Assistant Managing Director | - | - | - |
| 5 | Mr. Mohammad Golam Kibria | Assistant Managing Director | - | - | - |
| **D. Shareholders holding ten percent (10%) or more voting interest in the company: Rangs Limited.** | | | | | |

# The History of Rising Share Capital

| Particulars | Number of shares increase | | | | | | | | | | | | | | | | | | Value in Taka | Cumulative Paid-up-capital in Taka |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1988 | 1995 | 1996 | 1997-2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008-2009 | 2010 | 2011 | 2012 | 2013-2015 | 2016 | 2017 | 2018 | 2019-2023 | 2024-2025 | |
| 30% C | | | | | | | | | | | | | | | | | | | - | - 1,051,610,870 |
| 25% C | | | | | | | | | | | | | | | | | | - | | - 1,051,610,870 |
| 10% B & 15% C | | | | | | | | | | | | | | | | | 9,560,098 | | | 95,600,980 1,051,610,870 |
| 10% B & 15% C | | | | | | | | | | | | | | | | 8,690,999 | | | | 86,909,990 956,009,890 |
| 10% B & 15% C | | | | | | | | | | | | | | | 7,900,908 | | | | | 79,009,080 869,099,900 |
| 15% B & 15% C | | | | | | | | | | | | | | 10,305,532 | | | | | | 103,055,320 790,090,820 |
| 15% B & 15% C | | | | | | | | | | | | | | 8,961,332 | | | | | | 89,613,320 687,035,500 |
| 15% B & 15% C | | | | | | | | | | | | | | 7,792,463 | | | | | | 77,924,630 597,422,180 |
| 10% B & 15% C | | | | | | | | | | | | | 4,722,705 | | | | | | | 47,227,050 519,497,550 |
| 15% B & 15% C | | | | | | | | | | | | 6,160,050 | | | | | | | | 61,600,500 472,270,500 |
| 35% B | | | | | | | | | | | 1,064,700 | | | | | | | | | 106,470,000 410,670,000 |
| 30% B | | | | | | | | | | 702,000 | | | | | | | | | | 70,200,000 304,200,000 |
| 30% B | | | | | | | | | | 540,000 | | | | | | | | | | 54,000,000 234,000,000 |
| 20% B | | | | | | | | | 300,000 | | | | | | | | | | | 30,000,000 180,000,000 |
| 15% C | | | | | | | | - | | | | | | | | | | | | - 150,000,000 |
| 25% B & 10%C | | | | | | | 300,000 | | | | | | | | | | | | | 30,000,000 150,000,000 |
| 33.33% B & 10%C | | | | | | 300,000 | | | | | | | | | | | | | | 30,000,000 120,000,000 |
| 50% B & 10%C | | | | | 300,000 | | | | | | | | | | | | | | | 30,000,000 90,000,000 |
| 30% C | | | | - | | | | | | | | | | | | | | | | - 60,000,000 |
| 20% C | | | - | | | | | | | | | | | | | | | | | - 60,000,000 |
| IPO | | 300,000 | | | | | | | | | | | | | | | | | | 30,000,000 60,000,000 |
| As per MOA & AOA | 300,000 | | | | | | | | | | | | | | | | | | | 30,000,000 30,000,000 |

## Financial Calendar

2026 2025

**26 Feb** Announcement of Dividend of 2025

**31 Mar** Record date

**13 Apr** Issuance of Annual Report 2025

**30 Apr** 38th Annual General Meeting

**10 Feb** Announcement of Dividend of 2024

**3 Mar** Record date

**9 Mar** Issuance of Annual Integrated Report 2024

**25 Mar** 37th Annual General Meeting

**25 Apr** Cash dividend of 2024 paid

**14 May** Publication of 1st Quarter ended 31 March 2025 results

**29 Jul** Publication of 2nd Quarter ended 30 June 2025 results

**29 Oct** Publication of 3rd Quarter ended 30 September 2025 results

Jan Feb Mar Apr May Jun July Aug Sep Oct Nov Dec

# Our Position in the Market

## Dividend

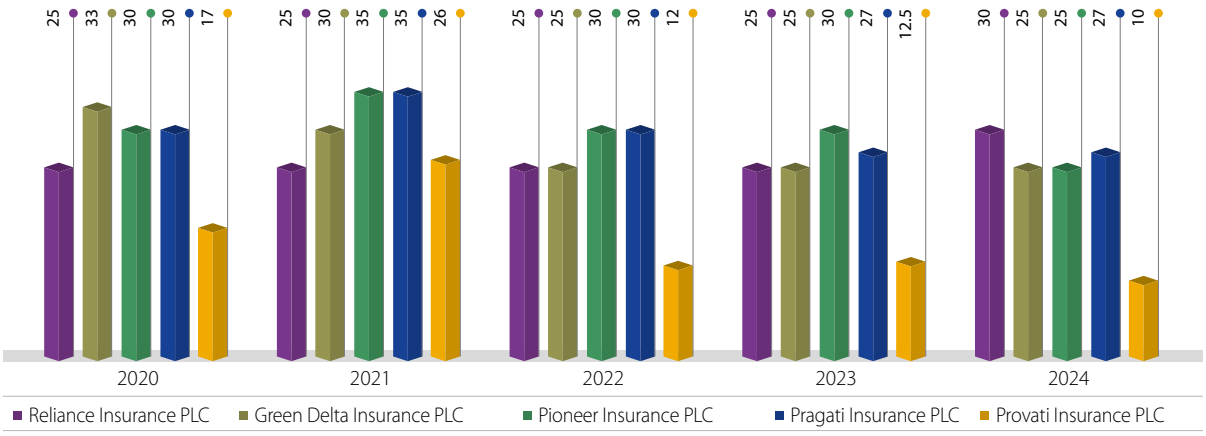
In comparing with all other non-life insurance companies in Bangladesh, Reliance has maintained a constant policy in terms of giving dividend, either in stock or cash. Most of the companies pays stock dividend to shareholders that is made in shares rather than in cash. And in some cases, it indicates the ability of the company to pay out the dividend in cash though the IRR/ reinvestment plan is not healthy at all. In recent years RIPLC paid a respectable percentage of dividend mixed with stock and cash (25%-30%) and last four years (2020-2023) the Company announced cash dividend @ 25%, in 2024 the Board of Directors of the Company announced cash dividend @ 30% and in 2025 the Board of Directors of the Company recommended cash dividend @ 30%.

in %

| Name of the Company | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Reliance Insurance PLC | 30 | 25 | 25 | 25 | 25 |
| Green Delta Insurance PLC | 25 | 25 | 25 | 30 | 33 |
| Pioneer Insurance PLC | 25 | 30 | 30 | 35 | 30 |
| Pragati Insurance PLC | 27 | 27 | 30 | 35 | 30 |
| Provati Insurance PLC | 10 | 12.5 | 12 | 26 | 17 |

## Dividend

%




## Earnings per Share

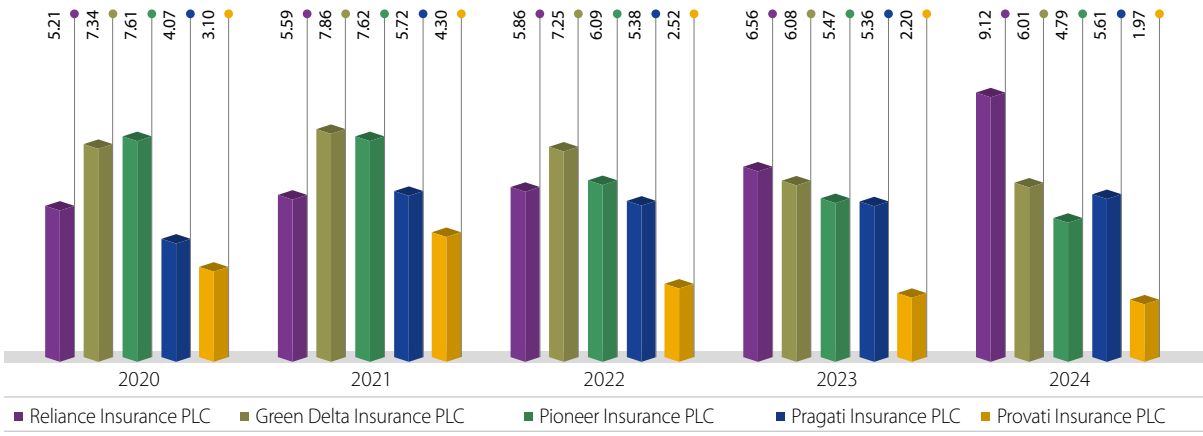
As far as EPS is concerned, Reliance displays an impressive position in the midst of all Bangladeshi non-life insurance companies.

BDT

| Name of the Company | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Reliance Insurance PLC | 9.12 | 6.56 | 5.86 | 5.59 | 5.21 |
| Green Delta Insurance PLC | 6.01 | 6.08 | 7.25 | 7.86 | 7.34 |
| Pioneer Insurance PLC | 4.79 | 5.47 | 6.09 | 7.62 | 7.61 |
| Pragati Insurance PLC | 5.61 | 5.36 | 5.38 | 5.72 | 4.07 |
| Provati Insurance PLC | 1.97 | 2.20 | 2.52 | 4.30 | 3.10 |

## Earnings per share

BDT




## Profitibality

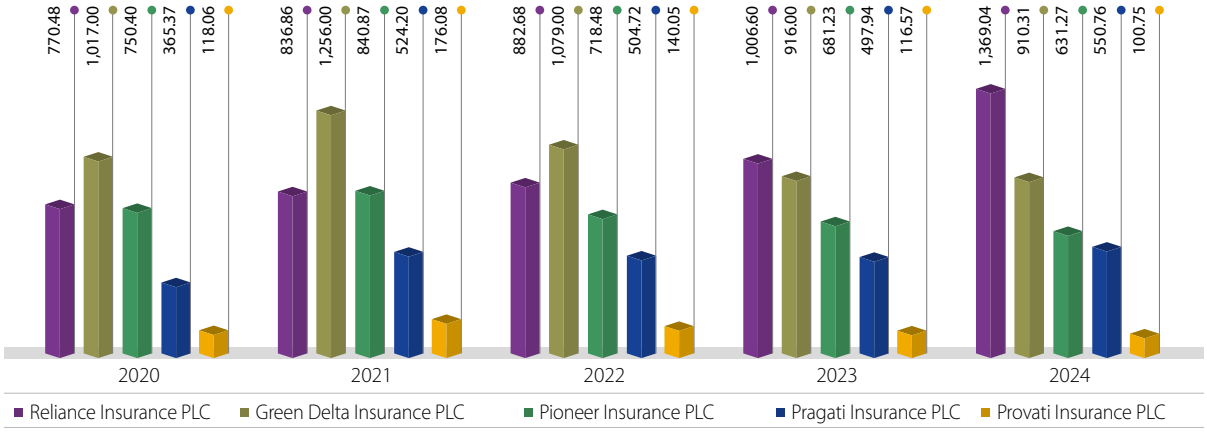
Profit before tax.

BDT mn

| Name of the Company | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Reliance Insurance PLC | 1,369.04 | 1,006.60 | 882.68 | 836.86 | 770.48 |
| Green Delta Insurance PLC | 910.31 | 916.00 | 1,079.00 | 1,256.00 | 1,017.00 |
| Pioneer Insurance PLC | 631.27 | 681.23 | 718.48 | 840.87 | 750.40 |
| Pragati Insurance PLC | 550.76 | 497.94 | 504.72 | 524.20 | 365.37 |
| Provati Insurance PLC | 100.75 | 116.57 | 140.05 | 176.08 | 118.06 |

## Profitibality

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# Information about Unclaimed Dividend

As per Bangladesh Security Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03, dated: January 14, 2021 and also BSEC, Capital Market Stabilization Fund Rules, 2021, Unclaimed Dividend of more than 3 (three) years from the date of declaration or approval or record date should be transferred to Capital Market Stabilization Fund (CMSF). Relaince has already transferred the uncalimed cash dividend of the period from 1995-2021 to CMSF, details are as follow-

### Unclaimed Cash Dividend paid to CMSF

BDT

| Year | Payment Date | Unclaimed Cash Dividend paid to CMSF |
|---|---|---|
| 1995-2017 | 29.08.2021 | 5,997,478.96 |
| 2018 | 20.03.2022 | 2,570,419.61 |
| 2019 | 28.03.2023 | 808,662.90 |
| 2020 | 18.03.2024 | 1,052,057.49 |
| 2021 | 22.04.2025 | 1,364,870.61 |
| **Total** | | **11,793,489.57** |

### The summary of Unclaimed Cash Dividend for the period from 2022-2024 as on December 31, 2025

BDT

| Year | Unclaimed Cash Dividend |
|---|---|
| 2022 | 1,271,564.86 |
| 2023 | 1,661,744.73 |
| 2024 | 1,414,150.65 |
| **Total** | **3,852,460.24** |

# Shareholding Composition

| Sl. No. | Name of Shareholders | No. of Shares | % |
|---|---|---|---|
| 1 | **Sponsors/Directors:** | | |
| | General Produce International Ltd. | 3,265,604 | 3.11 |
| | FinAccord Trading Limited | 3,447,604 | 3.28 |
| | Trinco Limited | 7,562,771 | 7.19 |
| | Rangs Limited | 10,958,660 | 10.42 |
| | Transfin Trading Limited | 7,562,573 | 7.19 |
| | Arlinks Limited | 6,452,104 | 6.14 |
| | Kumudini Welfare Trust of Bengal (BD) Ltd. | 6,868,227 | 6.53 |
| | Prantik Engineering Co. Limited | 1,716,932 | 1.63 |
| | Mr. Shamsur Rahman(Self) | 4,111,678 | 3.91 |
| | Deep Sea Fishers Limited | 6,666,649 | 6.34 |
| | Transcom Limited | 2,494,880 | 2.37 |
| | Rangs Workshop Ltd. | 3,727,709 | 3.54 |
| | Transcom Electronics Limited | 4,513,441 | 4.29 |
| | Kumudini Handicrafts | 2,103,515 | 2.00 |
| | **Sub-Total** | **71,452,347** | **67.95** |
| 2 | General | | |
| | Institutions/Employees: | | |
| | Bank/ICB's, Insurance Co's | 4,518,350 | 4.30 |
| | ICB Investors' Accounts | 925,309 | 0.88 |
| | Employees | 17,161 | 0.02 |
| | **Sub-Total** | **5,460,820** | **5.20** |
| | Individuals: | | |
| | General Public (Individuals) | 28,247,920 | 26.85 |
| | **Sub-Total** | **28,247,920** | **26.85** |
| | | | |
| **Total Holdings** | | **105,161,087** | **100.00** |

**Sponsors/Directors**

**67.95%**

**Institutional/Employees**

**5.20**

**Individual**

**26.85**

# Dividend Distribution Policy

This policy will be applicable to Reliance Insurance PLC "The Company". This policy is for payment of dividend to entitled shareholders/members of the company.

1. The company will pay the annual dividend to the entitled shareholders, within 30 (thirty) days from the date of Annual General Meeting.
    a. Legal ground of this Dividend Distribution Policy is the Directive from Bangladesh Securities and Exchange Commission i.e. BSEC/CMRRCD/2021-386/03 Date 14th January 2021.
    b. Business and investment policy of the company may need to be amended, revised, refined and readjusted as and when necessary to accommodate the changes in the regulatory frameworks, government policy and other requirements. Therefore, the company may review this policy when deem necessary.
2. Cash dividend distributed in the following manner and procedures, namely:

i. The company will pay cash dividend directly to the bank account of the entitled shareholders, as available in the BO (Beneficiary Owner) account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN), provided that the company may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

ii. The company, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, will pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN;

iii. The company, in case of non-availability of bank account Information or not possible to distribute cash dividend through BEFTN or any electronic payment system, issue cash dividend warrant and send it by post to the shareholder;

iv. The company will pay cash dividend to sponsor, director, shareholder, or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;

v. The company, immediately after disbursement of cash dividend and issuance a certificate of tax deducted at source, if applicable, will intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder;

vi. The company will maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number wise or name-wise or folio number-wise of the shareholder;

vii. The company transfers the unpaid, unclaimed or undistributed dividend both cash and bonus to the CMSF (Capital Market Stabilization Fund) as per BSEC's directive (s).

Provided that the company will publish the year-wise summary of its unpaid or unclaimed dividend in the website:

Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account of the company as maintained for this purpose, within 1 (one) year from the date of approval or record date, as the case may be.

3. The company will credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subjects to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);
4. The company submits a compliance report to the Commission and the exchange(s) in a specific format, within 7 (seven) working days of completion of dividend distribution:

    Provided that the company will publish the compliance report in its website.
5. The company will not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

# Redressal of Investors' Complaints

Investors' service is an important imperative for sustained business growth and all companies want to ensure that their investors receive exemplary service across different areas of operations of the Company. Reliance Insurance PLC is no exception of this and is always committed to maintaining highest standard of conduct and professional behavior in dealing with its shareholders.

Share Department officials are always ready to help shareholders whenever in need of share related services like share transfer, transmission, dividend warrant issue, dividend warrant re-validation etc. Shareholders of the company are also free to raise their claim, if any, throughout the year. Shareholders get opportunity to speak on various issues relating to the operation of the Company at the Annual General Meeting which is held once a year, in which the Chairman/Chief Executive Officer of the Company with the help of CFO and Company Secretary respond to all queries raised by the shareholders instantaneously.

Generally, shareholders raise issues relating to utilization of Company's resources, yearly and quarterly accounts, business turnover and profitability, declaration of entitlements, issuance of share certificates, share transfer and transmission, changes of shareholders address, non-receipt of Annual Report, date and time of AGM, minutes of meetings of all AGM/EGM, implementation of decision of the AGM & EGM and so on. It is the responsibility of the Company Secretary to oversee that necessary actions are taken expeditiously so that these issues are resolved to the satisfaction of shareholders. And to do these RIPLC follows the below principles:

- Complaints raised by investors are dealt with courtesy and on time.
- Complete transparency is maintained with the complainants.
- To ensure all complaints are logged in defined manner and system.
- Investors are treated fairly at all times.
- Complaints are treated efficiently and fairly;

### How do RIPLC redress investors' complaints

- An Investor can make a written complaint through letter.
- The Company maintains investor grievance register in which full detail of every written complaint shall enter by the following details:
- Name, address and contact number of the complainant
- Date of receipt
- Details of the complaint / subject / issue
- Designated person shall look after the investor grievances on daily basis.
- The full detail of the written complaint must be passed to the concerned department and inform the compliance officer of the Company as soon as it is received.
- A letter or email must be written to all the investor who has submitted written complaints by the designated person or Compliance Officer acknowledging receipt of the complaint and informing them it will be dealt with.
- Internal Audit & Compliance Department will obtain all information available on the complaint which is considered necessary for a proper investigation, look into all the necessary information and resolve these as soon as possible.
- RIPLC must resolve investor complaint within seven days of the receipt of the same except the complicated case.
- A serious complaint must be referred to the CEO and even to Directors of the Company if so warrants.



# Redressal of Clients' Complaints

Insurance being a service industry, clients' satisfaction is of paramount importance in maintaining existing clientele base and tapping new business, thereby to achieve satisfactory business growth in the long run. Being fully aware of this, Reliance always attends to its clients complaints – whether related to its services or claim settlement. Reliance encourages its clients to come forward with any complaint they may have and the top management is completely accessible to all of them. Complaints can be lodged with the management in writing, over telephone, by e-mail or through the website. During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features prominently at the Annual Conference of the Company.

# Horizontal Analysis

## Statement of Financial Position (Balance Sheet) as at December 31 (for last six years)

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-Current assets** | **183%** | **149%** | **138%** | **129%** | **134%** | **123%** |
| Property, plant and equipments | 180% | 95% | 95% | 97% | 97% | 100% |
| Assets under construction | 0% | 183% | 170% | 154% | 139% | 100% |
| Investments | 250% | 192% | 171% | 153% | 169% | 100% |
| **Current assets** | **154%** | **161%** | **140%** | **129%** | **113%** | **106%** |
| Stock of stamps and others | 119% | 93% | 125% | 89% | 85% | 100% |
| Advances, deposits and prepayments | 145% | 166% | 135% | 117% | 98% | 100% |
| Premium control account | 7% | 7% | 11% | 12% | 50% | 100% |
| Interest receivable account | 198% | 154% | 110% | 81% | 65% | 100% |
| Amount due from other persons or bodies carrying on insurance business | 967% | 973% | 157% | 137% | 127% | 100% |
| Cash and cash equivalents | 126% | 127% | 145% | 138% | 122% | 100% |
| Cash in hand | 20% | 49% | 33% | 58% | 31% | 100% |
| Cash at bank | 450% | 302% | 204% | 352% | 161% | 100% |
| Fixed deposit receipt (FDR) | 116% | 121% | 143% | 131% | 121% | 100% |
| **Total assets** | **169%** | **155%** | **139%** | **129%** | **123%** | **100%** |
| **SHAREHOLDERS' EQUITY & LIABILITIES** | | | | | | |
| **Shareholders' equity** | **150%** | **132%** | **127%** | **122%** | **122%** | **100%** |
| Share capital | 100% | 100% | 100% | 100% | 100% | 100% |
| Reserves and surplus | 162% | 140% | 133% | 127% | 128% | 100% |
| **Liabilities and provisions** | **198%** | **191%** | **159%** | **140%** | **124%** | **100%** |
| Balance of funds and accounts | 121% | 112% | 102% | 101% | 88% | 100% |
| Premium deposit | 392% | 365% | 329% | 277% | 209% | 100% |
| Unclaimed dividend account | 25% | 26% | 24% | 22% | 29% | 100% |
| Estimated liability in respect of outstanding claims whether due or intimated | 192% | 146% | 165% | 114% | 143% | 100% |
| Amounts due to other persons or bodies carrying on insurance business | 210% | 234% | 65% | 94% | 124% | 100% |
| Outstanding refundable premium | 21% | 21% | 39% | 15% | 38% | 100% |
| Sundry creditors | 179% | 184% | 154% | 142% | 114% | 100% |
| Deferred tax liabilities | 181% | 147% | 162% | 102% | 120% | 100% |
| **Total Shareholders' equity & liabilities** | **169%** | **155%** | **139%** | **129%** | **123%** | **100%** |

## Statement of Comprehensive Income (Profit & Loss Account) for the year ended December 31 (for last six years)

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **Gross Premium** | **180%** | **170%** | **130%** | **117%** | **105%** | **100%** |
| Reinsurance Premium ceded | 227% | 218% | 153% | 134% | 119% | 100% |
| Net Premium | 121% | 110% | 101% | 96% | 87% | 100% |
| Net R/I Commission Earned | 189% | 168% | 134% | 128% | 110% | 100% |
| Net Premium Reserve retained | 535% | 657% | 59% | 798% | 486% | -100% |
| Commission Paid | 124% | 66% | 64% | 70% | 42% | 100% |
| Management Expenses including Claims (Revenue A/C) | 102% | 103% | 101% | 98% | 92% | 100% |
| Net Incurred Claims | 202% | 171% | 184% | 113% | 136% | 100% |
| **Underwriting/Gorss Profit** | **131%** | **149%** | **120%** | **115%** | **107%** | **100%** |
| Investment Income & other income | 194% | 155% | 105% | 81% | 81% | 100% |
| Management Expenses (P & L A/C) | 169% | 53% | 65% | 67% | 70% | 100% |
| **Pre-tax profit** | **157%** | **161%** | **118%** | **104%** | **98%** | **100%** |
| Income tax expense | 168% | 155% | 120% | 101% | 94% | 100% |
| **After-tax profit** | **151%** | **164%** | **118%** | **105%** | **100%** | **100%** |

# Vertical Analysis

## Statement of Financial Position (Balance Sheet) as at December 31 (for last six years)

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-Current assets** | **53.59%** | **47.45%** | **48.94%** | **49.33%** | **53.62%** | **52.93%** |
| Property, plant and equipments | 22.65% | 13.01% | 14.54% | 15.90% | 16.81% | 18.31% |
| Assets under construction | 0.00% | 8.57% | 8.83% | 8.65% | 8.18% | 6.99% |
| Investments | 30.94% | 25.87% | 25.56% | 24.78% | 28.63% | 27.62% |
| **Current assets** | **46.41%** | **52.55%** | **51.06%** | **50.67%** | **46.38%** | **47.07%** |
| Stock of stamps and others | 0.05% | 0.04% | 0.06% | 0.05% | 0.05% | 0.06% |
| Advances, deposits and prepayments | 13.80% | 17.24% | 15.58% | 14.54% | 12.77% | 14.36% |
| Premium control account | 0.01% | 0.02% | 0.03% | 0.03% | 0.14% | 0.20% |
| Interest receivable account | 1.51% | 1.28% | 1.02% | 0.81% | 0.68% | 0.86% |
| Amount due from other persons or bodies carrying on insurance business | 7.32% | 8.02% | 1.44% | 1.35% | 1.31% | 1.27% |
| Cash and cash equivalents | 23.72% | 25.95% | 32.93% | 33.89% | 31.43% | 30.32% |
| Cash in hand | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Cash at bank | 2.66% | 1.94% | 1.46% | 2.73% | 1.31% | 1.09% |
| Fixed deposit receipt (FDR) | 21.06% | 24.00% | 31.47% | 31.16% | 30.12% | 29.23% |
| **Total assets** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **SHAREHOLDERS' EQUITY & LIABILITIES** | | | | | | |
| **Shareholders' equity** | **54.74%** | **52.52%** | **56.12%** | **58.12%** | **61.10%** | **62.14%** |
| Share capital | 6.93% | 7.55% | 8.39% | 9.06% | 9.49% | 10.23% |
| Reserves and surplus | 47.81% | 44.97% | 47.72% | 49.06% | 51.61% | 51.91% |
| **Liabilities and provisions** | **45.26%** | **47.48%** | **43.88%** | **41.88%** | **38.90%** | **37.86%** |
| Balance of funds and accounts | 4.37% | 4.42% | 4.45% | 4.76% | 4.35% | 4.27% |
| Premium deposit | 10.33% | 10.45% | 10.49% | 9.55% | 7.53% | 5.77% |
| Unclaimed dividend account | 0.03% | 0.03% | 0.03% | 0.03% | 0.04% | 0.09% |
| Estimated liability in respect of outstanding claims whether due or intimated | 4.27% | 3.53% | 4.44% | 3.31% | 4.33% | 4.52% |
| Amounts due to other persons or bodies carrying on insurance business | 4.51% | 5.48% | 1.68% | 2.66% | 3.65% | 4.32% |
| Outstanding refundable premium | 0.00% | 0.01% | 0.01% | 0.00% | 0.01% | 0.02% |
| Sundry creditors | 18.64% | 20.80% | 19.41% | 19.28% | 16.17% | 15.81% |
| Deferred tax liabilities | 3.11% | 2.76% | 3.37% | 2.30% | 2.83% | 3.06% |
| **Total Shareholders' equity & liabilities** | **100%** | **100%** | **100%** | **100%** | **100%** | **100%** |

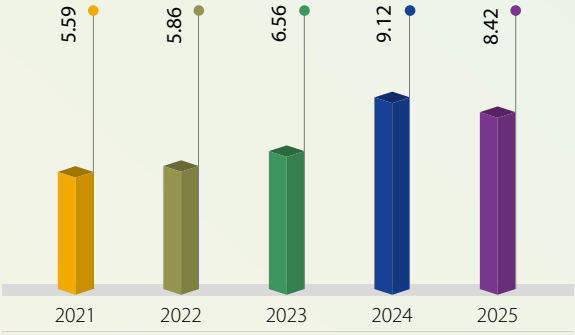
## Statement of Comprehensive Income (Profit & Loss Account) for the year ended December 31 (for last six years)

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **Gross Premium** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |
| Reinsurance Premium ceded | 74.45% | 71.63% | 65.70% | 63.84% | 63.42% | 63.82% |
| Net Premium | 31.18% | 28.37% | 34.30% | 36.16% | 36.58% | 36.18% |
| Net R/I Commission Earned | 9.15% | 8.12% | 8.49% | 9.01% | 8.71% | 8.76% |
| Net Premium Reserve retained | 0.93% | 1.14% | 0.13% | 2.01% | 1.37% | 3.77% |
| Commission Paid | 10.58% | 5.65% | 7.20% | 8.65% | 5.93% | 14.72% |
| Management Expenses (Revenue A/C) | 8.22% | 8.28% | 10.65% | 11.45% | 12.11% | 10.77% |
| Net Incurred Claims | 11.30% | 9.54% | 8.28% | 5.61% | 7.58% | 7.18% |
| **Underwriting/Gorss Profit** | **13.69%** | **15.58%** | **16.53%** | **17.46%** | **18.29%** | **16.04%** |
| Investment Income & other income | 14.97% | 11.99% | 10.62% | 9.14% | 10.16% | 12.86% |
| Management Expenses (P & L A/C) | 2.68% | 0.84% | 1.36% | 1.55% | 1.80% | 2.66% |
| **Pre-tax profit** | **25.98%** | **26.73%** | **25.79%** | **25.05%** | **26.65%** | **26.23%** |
| Income tax expense | 8.70% | 8.01% | 8.11% | 7.57% | 7.93% | 7.57% |
| **After-tax profit** | **17.28%** | **18.72%** | **17.69%** | **17.48%** | **18.72%** | **18.66%** |

# Graphical Presentation

## Earning Per Share

BDT



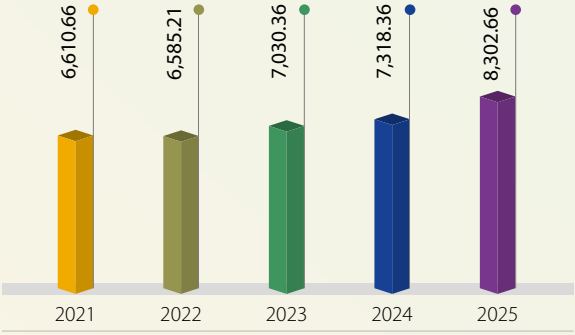

## Return on shareholders' fund

In %



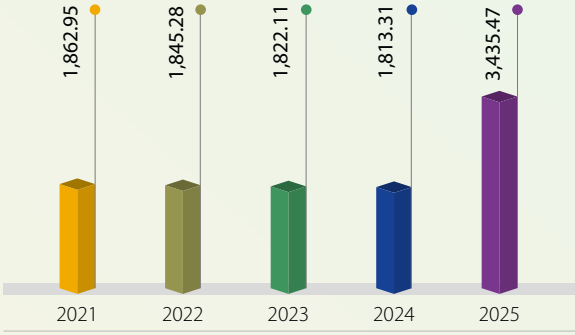

## Shareholders' equity

BDT mn



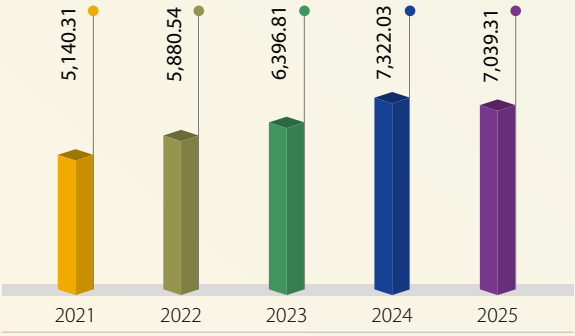

## Property plant & equipments

BDT mn



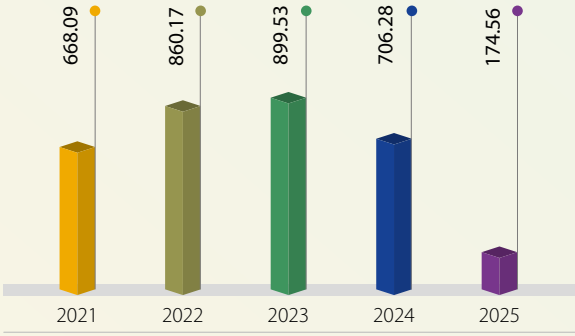

## Current assets

BDT mn



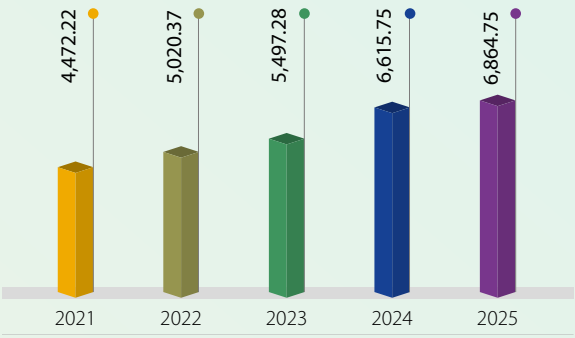

## Net Current assets

BDT mn



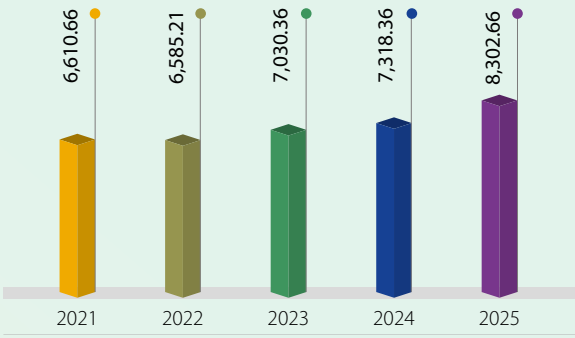
## Current liabilites

BDT mn



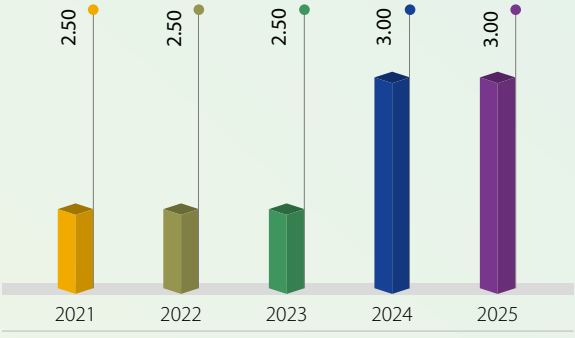

## Net Assets

BDT mn



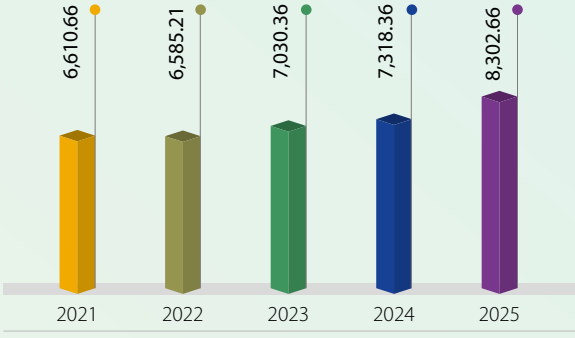

## Dividend Per Share (Cash)

BDT



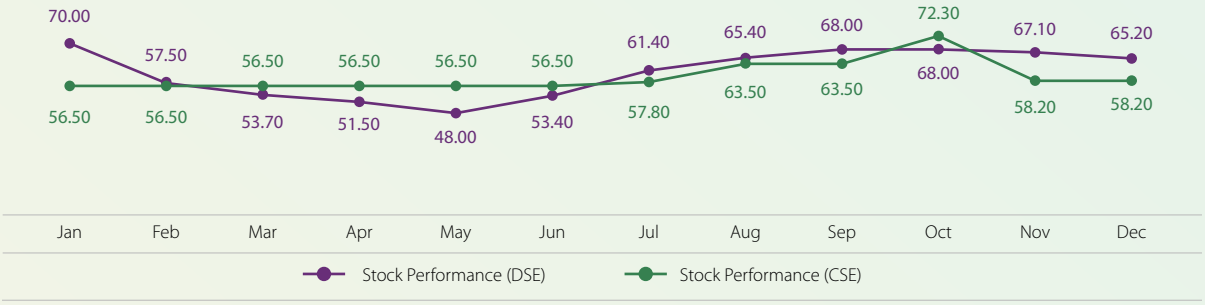

## Shareholders' equity

BDT mn




## Stock Performance 2025

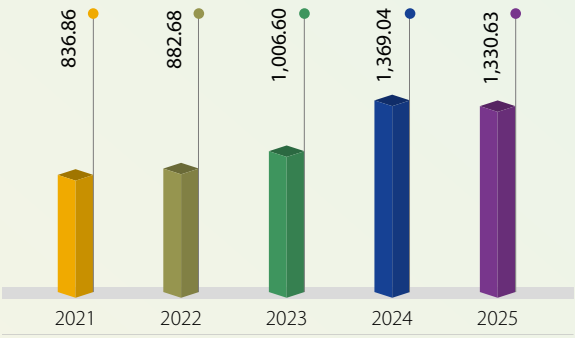
BDT



# Graphical Presentation

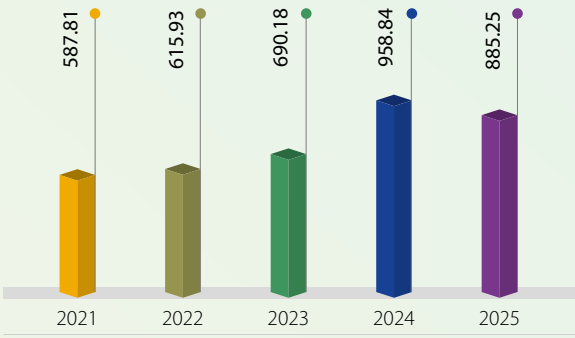
## Net profit before tax

BDT mn



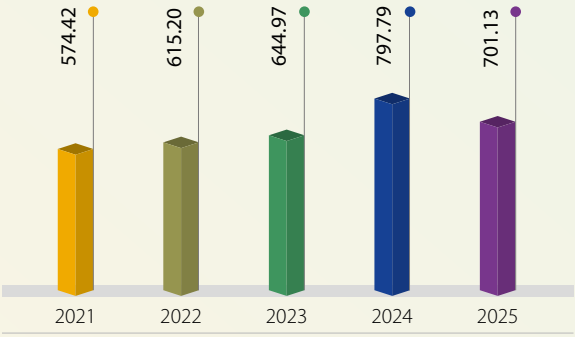

## Net profit after tax

BDT mn



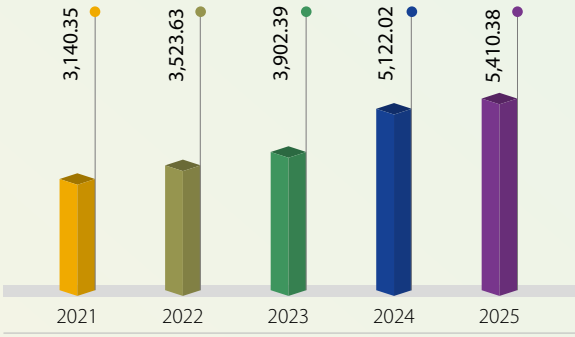

## Underwriting profit

BDT mn




## Gross Premium

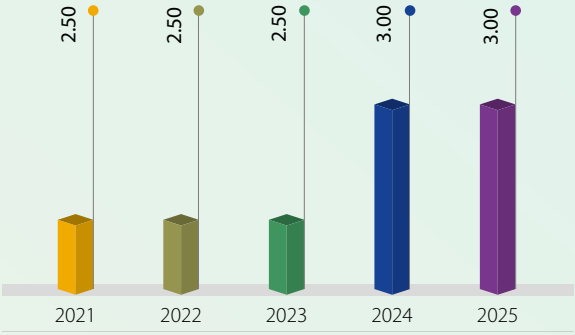
BDT mn



# Profitability, Dividend Performance & Liquidity Ratios

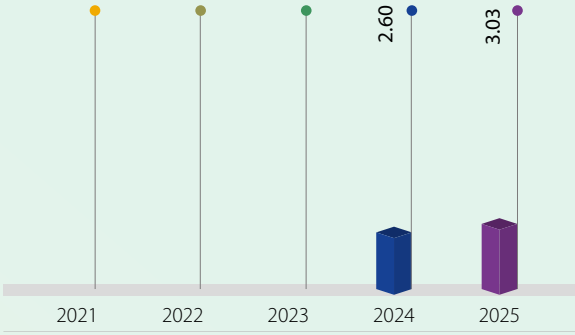
### Dividend per share (Cash)

BDT



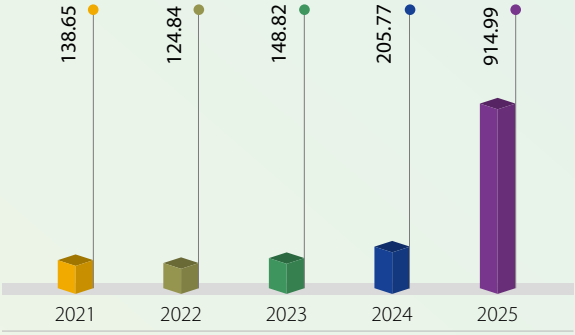

### Solvency ratio *

Times




### Surplus ratio

In %




### Underwriting/Gross profit ratio

In %




### Earnings before Interest, Depreciation & Tax

BDT mn




### Price earnings ratio

Times




* Solvency ratio calculated only for the year 2024-25 as per IDRA published gazette S.R.O No. 313-Act/2024 dated 18 September 2024

## Claim ratio

In %



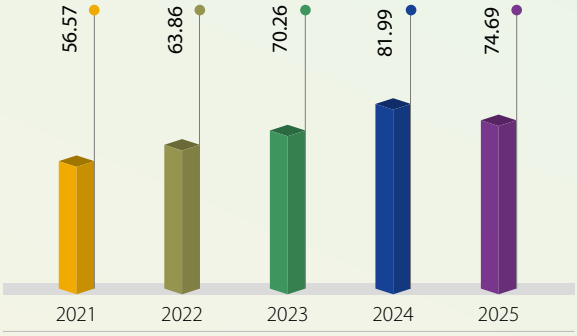

## Return on capital employed

In %



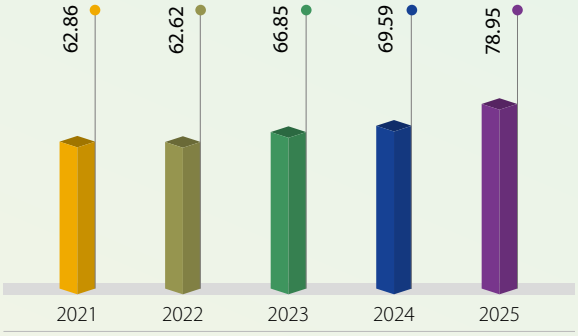

## Debt equity ratio

In %



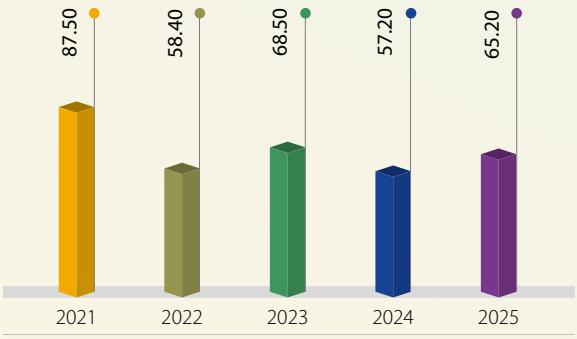

## Net assets value per share

BDT



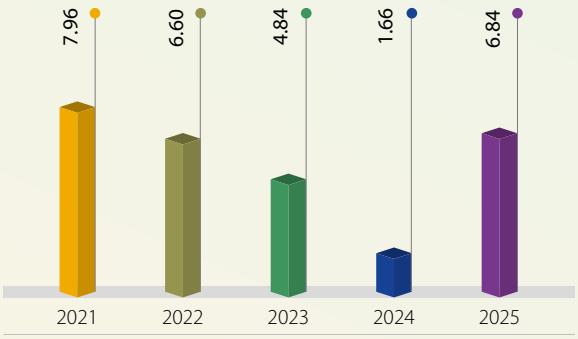

## Market value per share

BDT




## Net operating cash flow per share

BDT



# Financial Ratios

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **PROFITABILITY RATIO** | | | | | | |
| Return on Assets (ROA) | 5.84 | 6.88 | 5.51 | 5.31 | 5.30 | 5.33 |
| Gross Premium Growth | 5.63 | 31.25 | 10.75 | 12.21 | 6.92 | (2.23) |
| Net Premium Growth | 9.90 | 8.57 | 5.05 | 10.91 | 8.13 | (19.79) |
| Net Underwriting Margin (%) | 43.90 | 54.89 | 48.18 | 48.28 | 50.01 | 44.33 |
| Return on Average Assets (ROAA) | 6.08 | 7.51 | 5.72 | 5.43 | 5.50 | 5.75 |
| Return on Average Equity (ROAE) | 11.33 | 13.79 | 10.14 | 9.34 | 9.04 | 8.99 |
| EPS Growth | (7.68) | 38.93 | 12.05 | 4.78 | 7.23 | (6.41) |
| Management Expenses Ratio | 7.78 | 8.28 | 10.65 | 11.45 | 11.08 | 10.77 |
| Gross Profit Ratio | 43.90 | 54.89 | 48.18 | 48.28 | 50.01 | 44.33 |
| Net Profit Ratio | 54.74 | 65.98 | 51.56 | 48.34 | 51.16 | 51.59 |
| EBITDA | 1,449 | 1,397 | 1,045 | 877 | 812 | 889 |
| EBITDA Margin | 55.43 | 65.98 | 51.56 | 48.34 | 51.16 | 51.59 |
| Return on Capital Employed | 22.85 | 28.30 | 22.12 | 20.69 | 19.31 | 19.18 |
| Return on Investment | 16.38 | 17.08 | 12.95 | 11.20 | 10.05 | 13.30 |
| | | | | | | |
| **PERFORMANCE WITH RESPECT TO THE SHAREHOLDERS** | | | | | | |
| Dividend Yield | 4.60 | 5.24 | 3.65 | 4.28 | 2.86 | 4.03 |
| NAV Growth | 13.45 | 4.10 | 6.76 | (0.38) | 3.50 | 15.46 |
| Price Earnings ratio | 7.75 | 6.27 | 10.44 | 9.97 | 15.65 | 11.89 |
| Dividend Payout | 35.64 | 32.90 | 38.09 | 42.68 | 44.73 | 47.96 |
| | | | | | | |
| **SOLVENCY MARGIN** | | | | | | |
| Avaiable Solvency Margin | 32,361 | 26,322 | - | - | - | - |
| Solvency Margin (Times) | 3.03 | 2.60 | - | - | - | - |
| Net Worth to Total Assets (%) | 54.74 | 52.52 | 56.12 | 56.74 | 59.65 | 62.14 |
| | | | | | | |
| **OPERATING PERFORMANCE** | | | | | | |
| Loss Ratio | 22.21 | 20.62 | 24.13 | 15.52 | 20.73 | 19.85 |
| Management Expenses Ratio | 7.78 | 8.28 | 10.65 | 11.45 | 11.08 | 10.77 |
| | | | | | | |
| **LIQUIDITY POSITION** | | | | | | |
| Fixed Deposit | 3,193.55 | 3,344.70 | 3,942.48 | 3,616.20 | 3,338.50 | 3,004.50 |
| Liquid Asset to Total Assets | 56.17 | 53.11 | 59.47 | 59.66 | 61.37 | 58.99 |
| | | | | | | |
| **PROFITABILITY RATIOS** | | | | | | |
| Return on Assets (ROA) | 5.84 | 6.88 | 5.51 | 5.31 | 5.30 | 6.50 |
| Return on Equity (ROE) | 19.17 | 23.04 | 17.18 | 16.59 | 15.26 | 15.32 |
| Gross Profit Ratio | 43.90 | 54.89 | 48.18 | 48.28 | 52.84 | 44.33 |

* Avaiable Solvency Margin and Solvency Ratio calculated only for the year 2024-25 as per IDRA published gazette S.R.O No. 313-Act/2024 dated 18 September 2024

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| Net Profit Ratio | 55.43 | 65.98 | 51.56 | 48.34 | 51.16 | 51.59 |
| Return on Capital Employed | 22.85 | 28.30 | 22.12 | 20.69 | 19.31 | 19.18 |
| Return on Investment | 16.38 | 17.08 | 12.95 | 11.20 | 10.05 | 13.30 |
| | | | | | | |
| **LIQUIDITY RATIOS** | | | | | | |
| Current ratio (times) | 1.03 | 1.11 | 1.16 | 1.21 | 1.19 | 1.24 |
| Quick ratio | 1.03 | 1.11 | 1.16 | 1.21 | 1.19 | 1.24 |
| Liquidity Assets to Total Insurance Fund | 3.10 | 2.91 | 3.19 | 3.15 | 3.40 | 3.29 |
| Total Liquid Assets to Total Assets | 56.17 | 53.11 | 53.11 | 59.47 | 59.66 | 61.37 |
| | | | | | | |
| **MARKET RATIOS** | | | | | | |
| PE ratio (times) | 7.75 | 6.27 | 10.44 | 9.97 | 15.65 | 11.89 |
| Dividend payout ratio | 35.64 | 32.90 | 38.09 | 42.68 | 44.73 | 47.96 |
| | | | | | | |
| **LEVERAGE RATIOS** | | | | | | |
| Debt to Equity ratio | 74.69 | 81.99 | 70.26 | 63.86 | 56.57 | 54.06 |
| Debt ratio = Total Debt/Total Assets | 45.26 | 47.48 | 43.88 | 43.26 | 40.35 | 37.86 |
| Interest coverage ratio | N/A | N/A | N/A | N/A | N/A | N/A |
| Fixed Deposit | 3,194 | 3,345 | 3,942 | 3,616 | 3,339 | 3,005 |
| Investment | 56.17 | 53.11 | 59.47 | 59.66 | 61.37 | 58.99 |
| Technical Reserves Ratio | 2.13 | 2.09 | 2.16 | 2.03 | 2.16 | 2.33 |
| | | | | | | |
| **NON-FINANCIAL RATIOS** | | | | | | |
| Customer Retention ratio | 91 | 92 | 95 | 94 | 92 | 91 |
| Employee Turnover Ratio | 15.11 | 8.16 | 9.6 | 9.29 | 9.69 | 8.20 |
| Net Claim Ratio | 6.56 | 5.85 | 8.28 | 5.61 | 7.58 | 7.18 |
| Net Claim Ratio (on net premium) | 22.21 | 20.62 | 24.13 | 15.52 | 20.73 | 19.85 |

# Comprehensive Financial Review

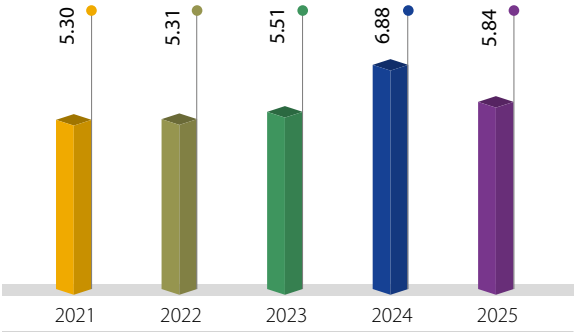
Reliance Insurance PLC has maintained a consistent focus on careful risk selection, disciplined investment practices, and efficient operations. The following discussion outlines the major trends and insights behind the figures, helping stakeholders better understand the key drivers of performance and the company's overall strategic direction.

## PROFITABILITY RATIO

RIPLC maintained stable returns on assets and equity during the year, reflecting consistent profitability despite fluctuations in premium growth. Gross premium growth was moderated by competitive market conditions and the Company's disciplined, selective underwriting approach. Nonetheless, net underwriting margins remained robust, underscoring effective risk management and prudent pricing strategies. Earnings per share recorded a slight decline, primarily due to strategic allocations toward long-term investment portfolios aimed at sustaining future growth. Meanwhile, continued emphasis on cost discipline helped contain the increase in management expenses.

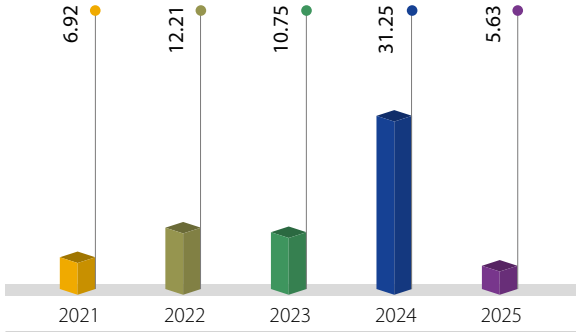
### Return on Assets (ROA)

%



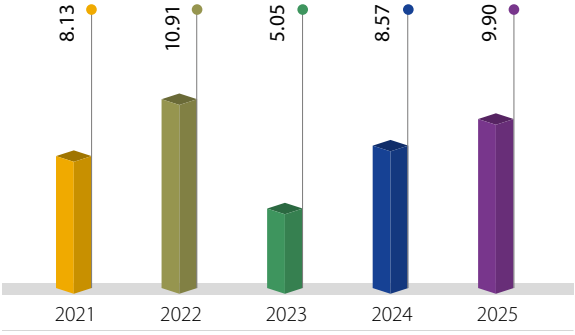

### Gross Premium Growth

%

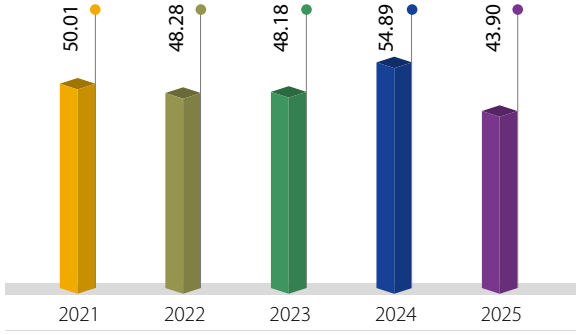



### Net Premium Growth

%

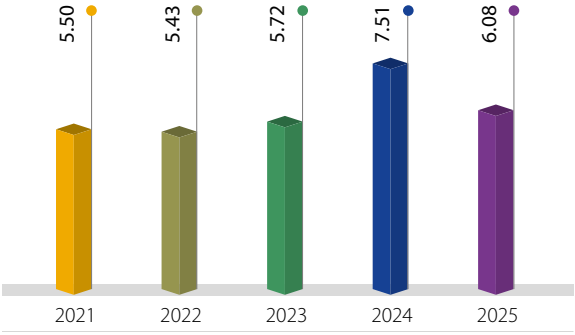



### Net Underwriting Margin (%)



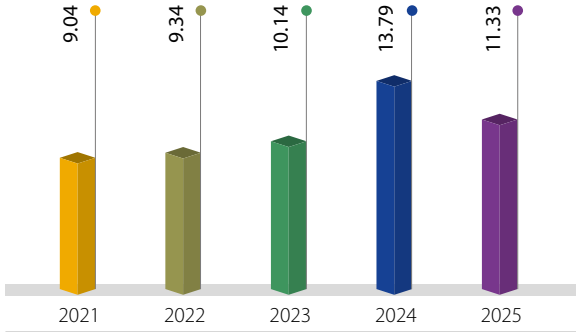

### Return on Average Assets (ROAA)

BDT



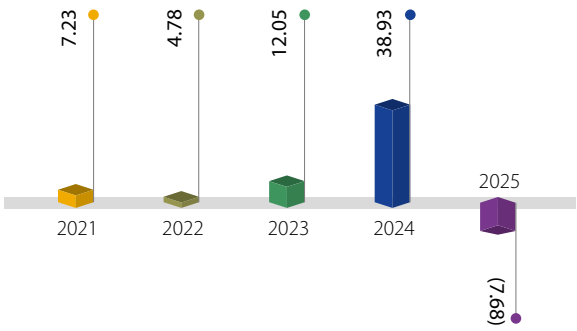

### Return on Average Equity (ROAE)

%



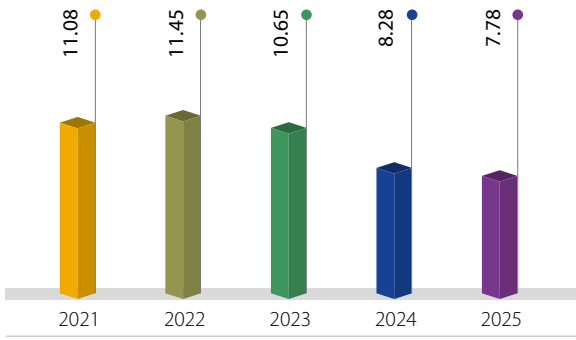
## EPS Growth

%

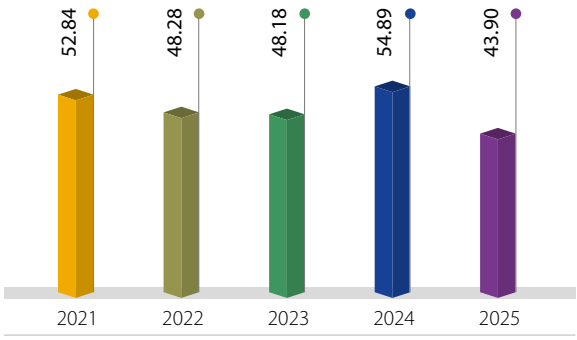



## Management Expenses Ratio

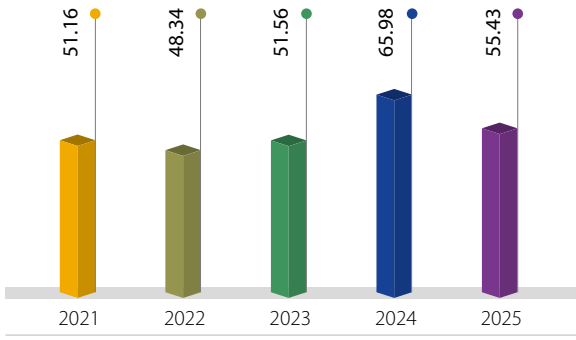
%




## Gross Profit Ratio %

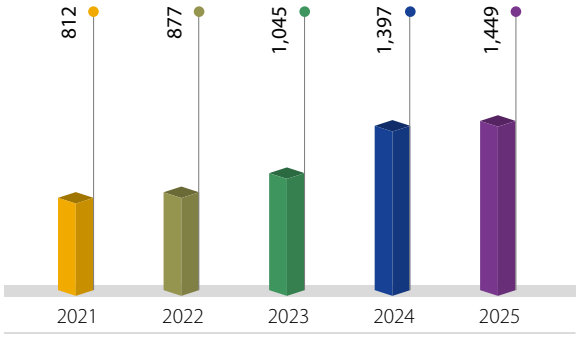



## Net Profit Ratio %

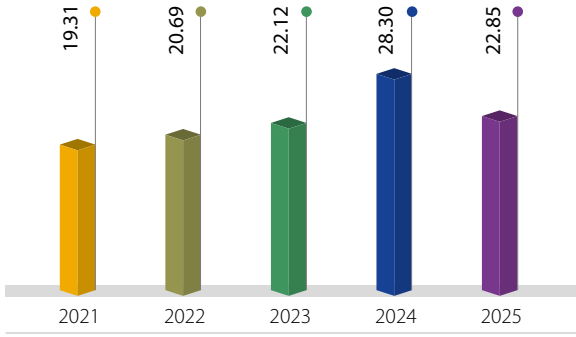



## EBITDA

BDT mn

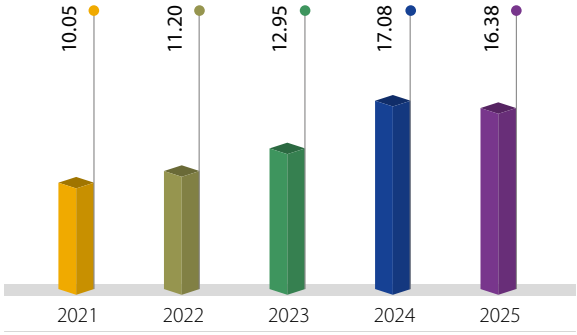



## Return on Capital Employed %




## Return on Investment

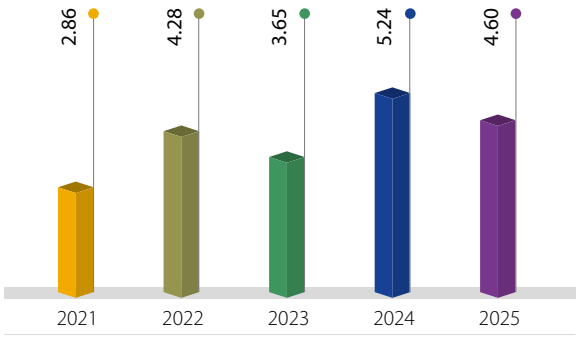
%



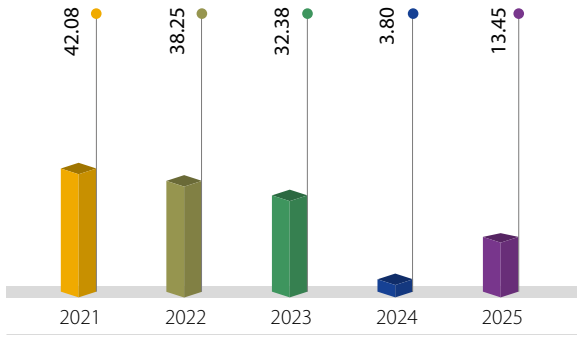
## PERFORMANCE WITH RESPECT TO THE SHAREHOLDERS

Dividend performance underscores the Company's ongoing commitment to delivering sustainable and attractive returns to its shareholders. While Net Asset Value (NAV) growth has experienced periodic fluctuations in response to prevailing market conditions, the recent upward trend reflects a strengthening of the underlying asset base. The observed moderation in the Price-to-Earnings (P/E) ratio, alongside a stable dividend payout, highlights a prudent and balanced financial approach. This strategy is expected to reinforce the Company's valuation strength and enhance its long-term appeal to investors.

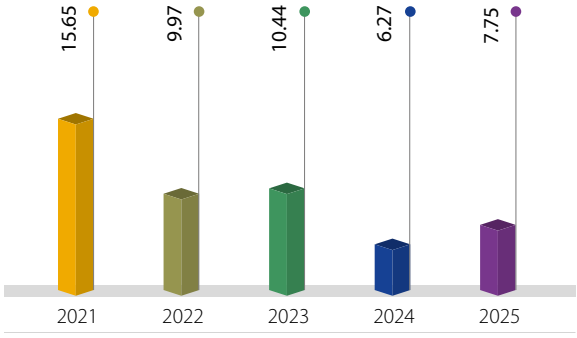
### Dividend Yield Ratio



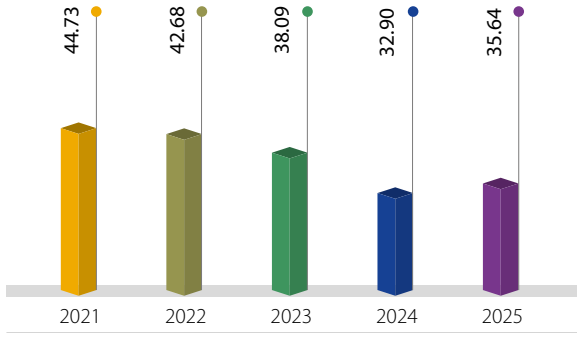

### NAV Growth




### PE ratio (times)



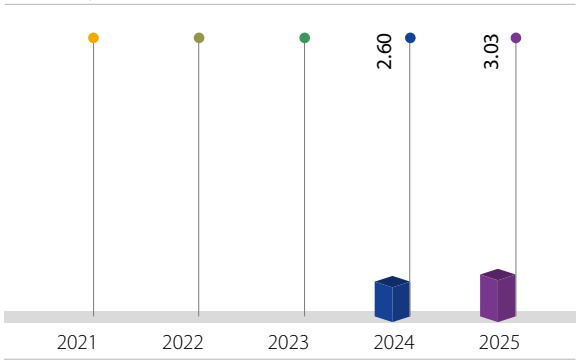

### Dividend Payout Ratio



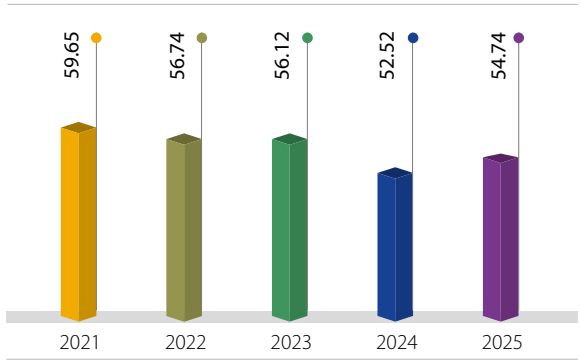

## Capital Strength & Solvency

Reliance Insurance PLC maintained capital adequacy well above the regulatory threshold in 2025, reflecting disciplined capital management and a robust cushion against underwriting and investment risks. The solvency margin remained strong and stable throughout the year, demonstrating the Company's financial resilience, reinforcing policyholder confidence, and supporting sustainable long-term operations.

### Solvency Margin *




### Net Worth to Total Assets (%)



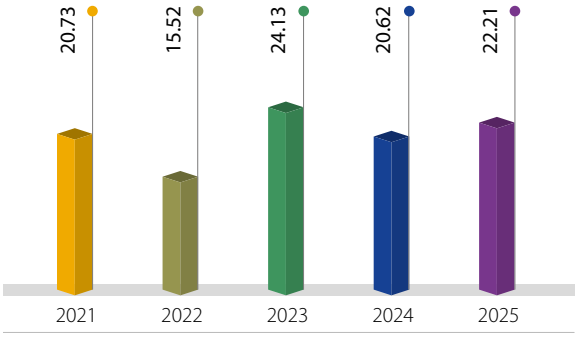

* Solvency Margin calculated only for the year 2024-25 as per IDRA published gazette S.R.O No. 313-Act/2024 dated 18 September 2024

## OPERATING PERFORMANCE

In 2025, the Company's loss ratio improved, reflecting enhanced underwriting discipline and more effective risk management practices. Management expenses remained largely stable, with marginal adjustments aligned to operational needs, indicating a continued focus on efficiency and sustainable growth. This balanced approach supports the Company's long-term performance and strengthens investor confidence.

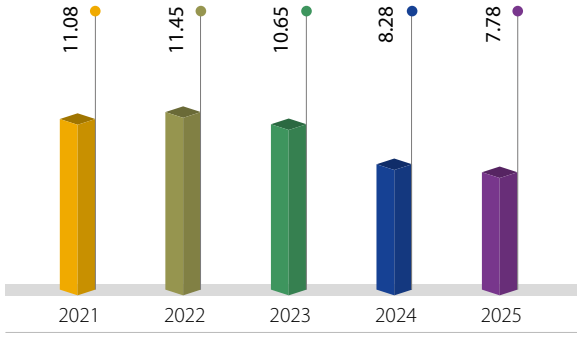
### Loss Ratio

%




### Management Expenses Ratio

%

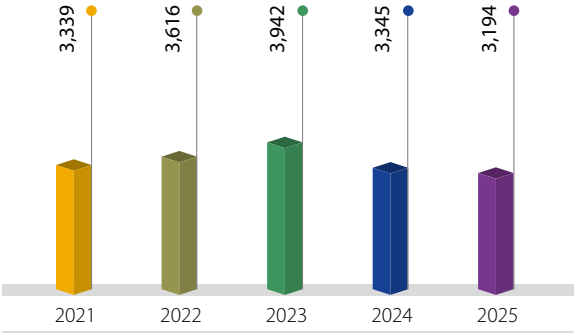



## LIQUIDITY POSITION

Liquidity management remained a key strategic focus for Reliance Insurance PLC in 2025, ensuring prompt settlement of claims and maintaining operational flexibility. The level of liquid assets continued to provide a prudent buffer against unforeseen obligations, while preserving the Company's capacity to pursue viable investment opportunities. Although the liquid asset ratio experienced a marginal decline, this was effectively offset by higher placements in Fixed Deposit Receipts (FDRs), thereby sustaining overall financial resilience.

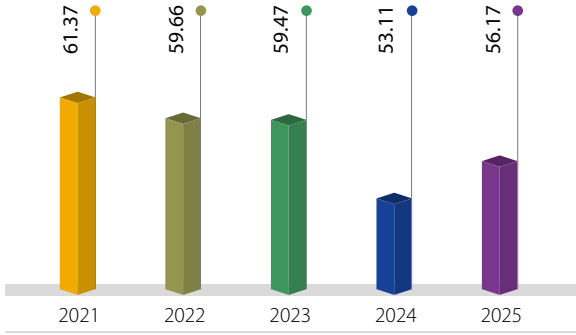
### Fixed Deposit

BDT mn




### Liquid Asset to Total Assets

%




## CAPITAL APPRECIATION

In 2025, Reliance Insurance PLC achieved notable capital appreciation, reflecting strong financial performance, strategic growth initiatives, and sustained investor confidence. The rise in the market value of our shares highlights the Company's resilience, disciplined risk management, and commitment to creating long-term shareholder value. Supported by robust underwriting results, operational efficiencies, and adherence to sound corporate governance, this stock price growth underscores our long-term growth potential. As we continue to respond to evolving market dynamics and expand our product offerings, Reliance Insurance PLC remains dedicated to delivering superior returns and enhancing shareholder wealth.

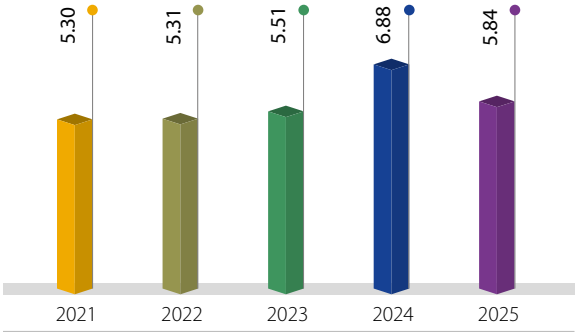
## FINANCIAL AND NON-FINANCIAL RATIOS

### Financial Ratios

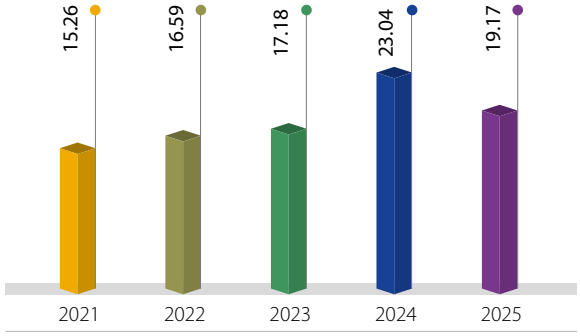
**Profitability Ratios**

In 2025, Reliance Insurance PLC continued its focus on generating sustainable profits through a balanced approach to underwriting and investment strategies. Profitability ratios reflect the Company's efficiency in deploying assets and capital, maintaining a healthy operating margin, and delivering long-term value to shareholders. Strong EBITDA and return on capital employed underscore operational efficiency, while return on investment demonstrates prudent fund management in support of continued growth and financial stability.

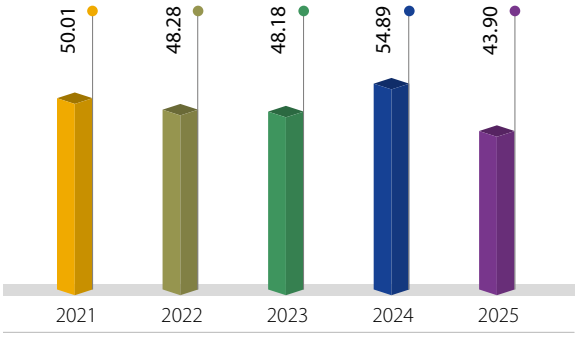
**Return on Assets (ROA)** %



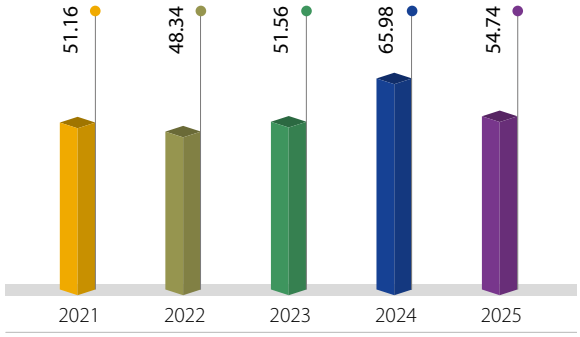

**Return on Equity (ROE)** %



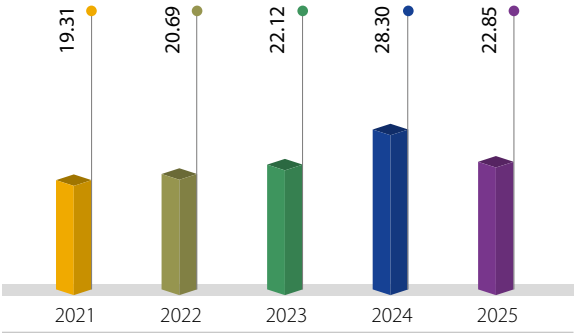

**Gross Profit Ratio** %



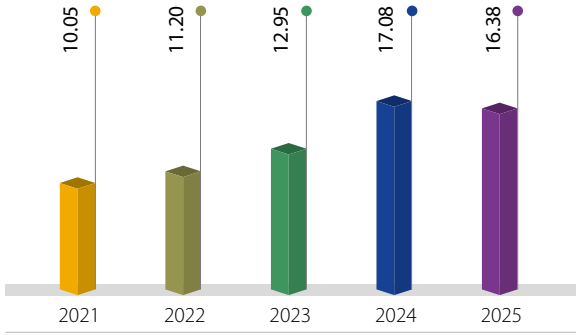

**Net Profit Ratio** %




**Return on Capital Employed** %



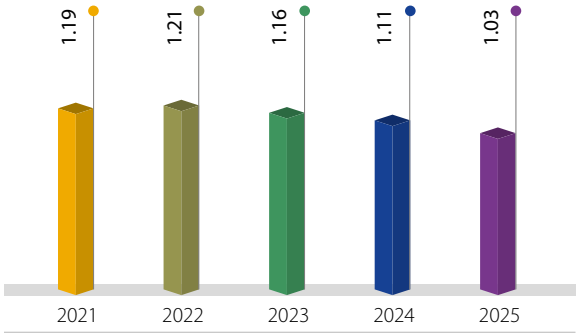

**Return on Investment** %



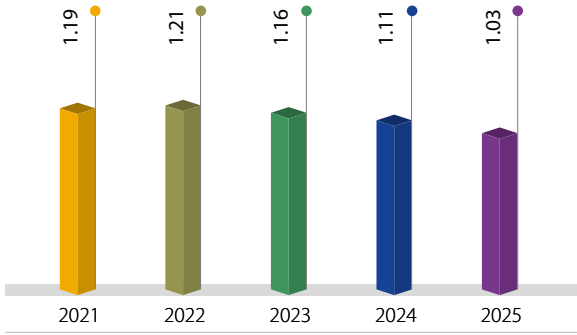
## LIQUIDITY RATIOS

In 2025, liquidity management remained a central focus for Reliance Insurance PLC, ensuring timely claim settlements, supporting operational requirements, and maintaining financial flexibility. The Company's current and quick ratios reflect its strong capacity to meet short-term obligations, while the proportion of liquid assets relative to total insurance funds and total assets confirms a robust liquidity position, reinforcing policyholder confidence and enabling strategic investment opportunities.

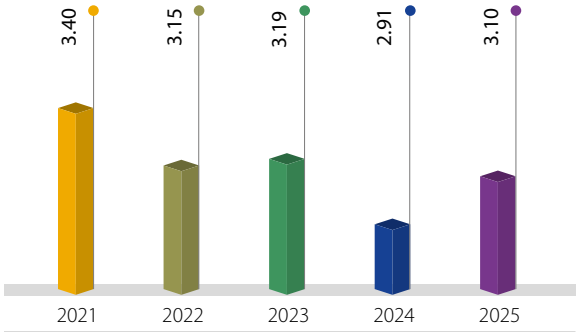
### Current Ratio (Times)



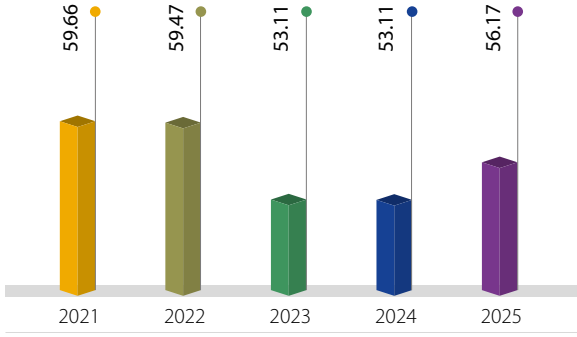

### Quick Ratio (Times)




### Liquidity Assets to Total Insurance Fund Times




### Total Liquid Assets to Total Assets Times

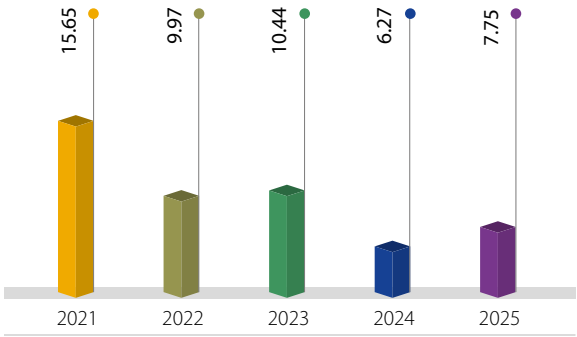



## MARKET RATIOS

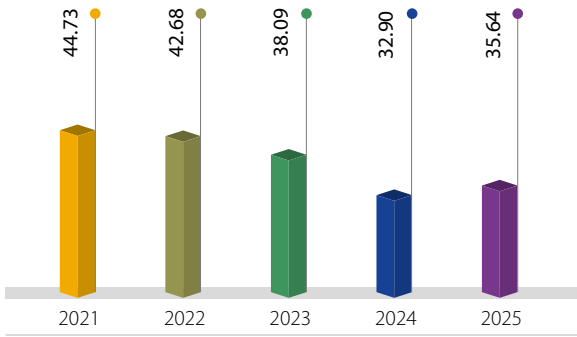
### Dividend yield

Market ratios provided a clear view of Reliance Insurance PLC's performance from a shareholder perspective in 2025. Dividend yield and payout ratios highlight the Company's ongoing commitment to rewarding shareholders, while the price-to-earnings (P/E) ratio reflects market valuation trends and the attractiveness of the Company's shares. Together, these ratios underscore a balanced approach to sustainable growth and delivering long-term shareholder value.

### PE ratio (times)



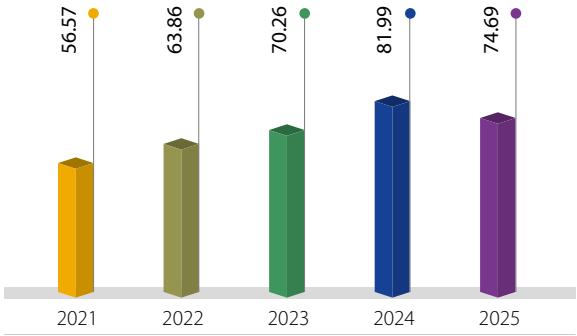

### Dividend Payout Ratio %



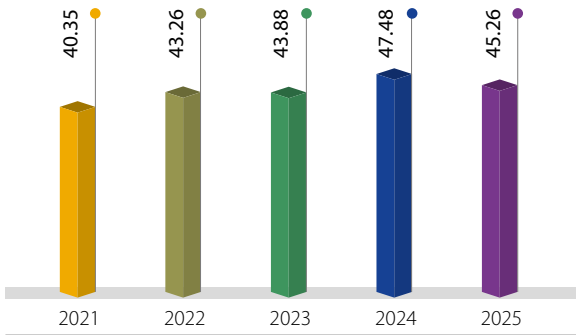
## LEVERAGE RATIOS

Reliance Insurance PLC maintained a solid financial position, operating entirely without long-term or short-term borrowings from banks or financial institutions. Its strong capital base allows the Company to fund operations and support growth independently of external financing. For ratio presentation, short-term liabilities have been included, with the resulting debt-to-equity and overall debt ratios reflecting a prudent financial structure. Moreover, the substantial Fixed Deposit Receipts (FDRs), investments, and technical reserves underscore effective risk management and resource allocation, reinforcing the Company's overall financial resilience.

### Debt to Equity ratio %

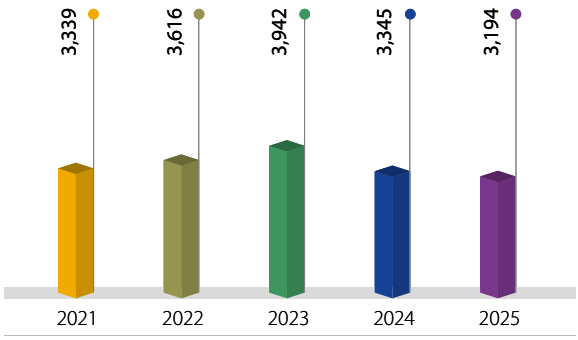



### Debt ratio = Total Debt/Total Assets %



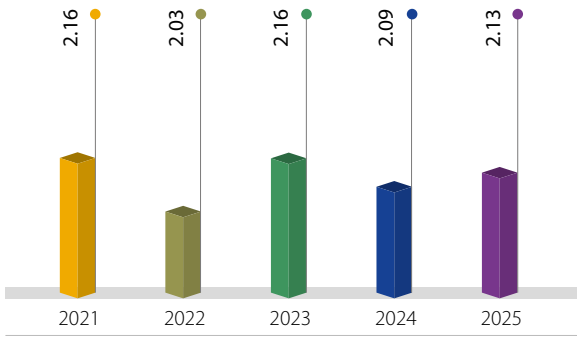

### Fixed Deposit

BDT mn



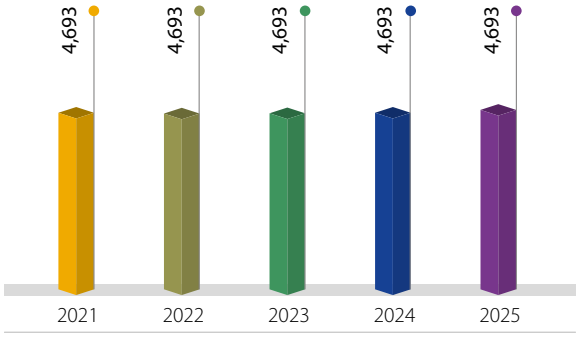

### Technical Reserves Ratio

%




### Investment

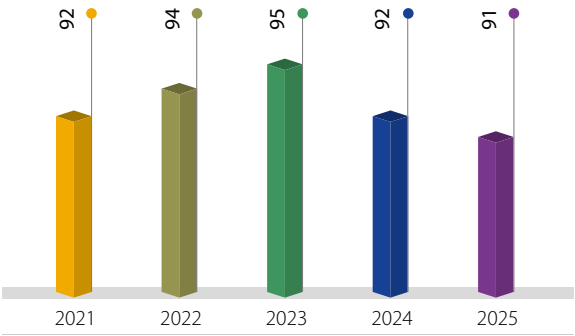
BDT mn



## NON-FINANCIAL RATIOS

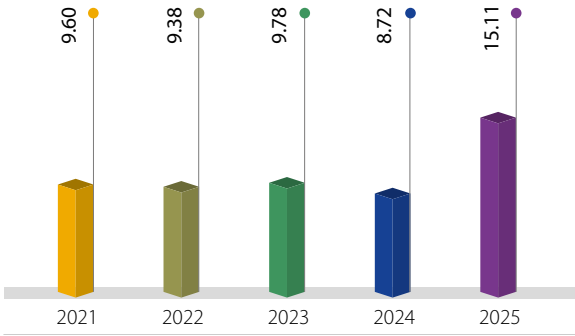
In 2025, Reliance Insurance PLC continued to monitor key non-financial ratios to support operational sustainability and stakeholder satisfaction. Customer retention ratios reflect the quality of service and the trust placed in the Company by policyholders, while employee turnover rates provide insight into organizational health, engagement, and talent retention. Together, these metrics demonstrate Reliance Insurance PLC's commitment to nurturing long-term relationships and developing internal capabilities for sustained growth.

### Customer Retention Ratio

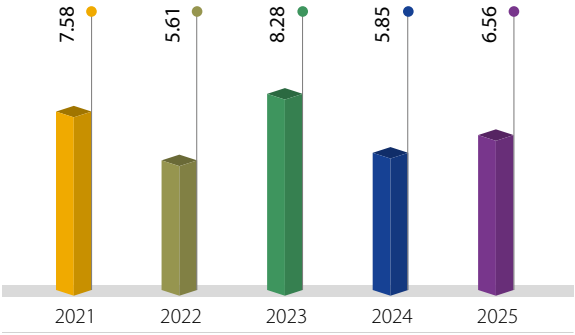



### Employee Turnover Rate

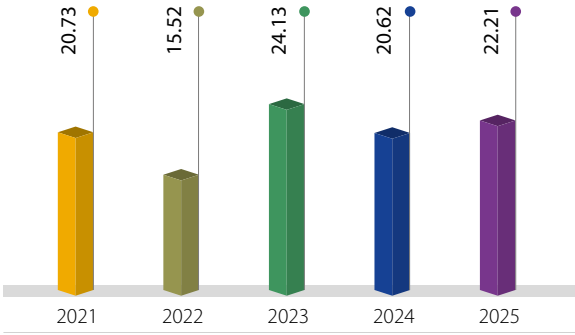
%




### Net Claim Ratio




### Net Claim Ratio (on net premium)



# Important Policies and Practices

Reliance Insurance PLC maintains a well-defined and strong framework of policies and practices, forming the foundation of sound governance, ethical conduct, and operational excellence. These policies guide the Company's regular operations, ensure compliance with all applicable laws and regulatory requirements, promote a safe and inclusive workplace, and safeguard the values, culture, and integrity of the organization. Presented below are some of the key policies and practices adopted by the Company to ensure transparent, disciplined, and seamless business operations.

## Code of conduct

The Code of Conduct sets out the ethical standards and behavioral expectations applicable to all employees, executives, and directors of Reliance Insurance PLC. It emphasizes principles such as honesty, integrity, professionalism, accountability, and respect for diversity. The Code also provides guidance on managing conflicts of interest, accepting gifts, and complying with applicable laws and regulations. By embedding ethical values into everyday decision- making, the Code of Conduct enhances the Company's corporate reputation and reinforces stakeholder trust.

## Gender diversity

Reliance recognizes gender diversity as a key driver of innovation, performance, and sustainable growth. The Company has implemented policies and practices to promote gender equality and inclusion across recruitment, career development, and leadership opportunities. These initiatives aim to eliminate bias and ensure fair representation in decision- making processes. By nurturing a diverse and inclusive workforce, the Company strengthens its organizational culture and better reflects the society it serves.

## Whistle-blower

Reliance maintains a whistle-blower policy as a vital element of its corporate governance framework. It empowers all levels of employees to report unethical, unlawful, or improper conduct without the fear of retaliation or victimization. The policy provides a secure and confidential channel for reporting concerns related to fraud, corruption, or other misconduct. By encouraging openness, accountability and ethical behavior, the whistle-blower mechanism helps preserve the Company's integrity, credibility, and reputation.

Reliance upholds the highest standards of corporate governance, ethics, integrity, and compliance through this comprehensive framework of policies and practices. From whistle-blower protection and workplace safety to diversity, data privacy, and ethical business conduct, these guiding principles reflect the Company's unwavering commitment to transparency, accountability, and responsible insurance practices, reinforcing its position as a trusted and responsible corporate in Bangladesh.

## Sexual harassment

Reliance maintains a strict zero-tolerance policy against sexual harassment in the workplace in line with the laws of Bangladesh and applicable international best practices. The policy clearly defines prohibited behavior, establishes formal procedures for lodging complaints, ensuring timely investigation and appropriate resolution. Support mechanisms are available for affected individuals, and disciplinary measures are enforced against offenders; fostering a safe, respectful, and dignified work environment for all employees.

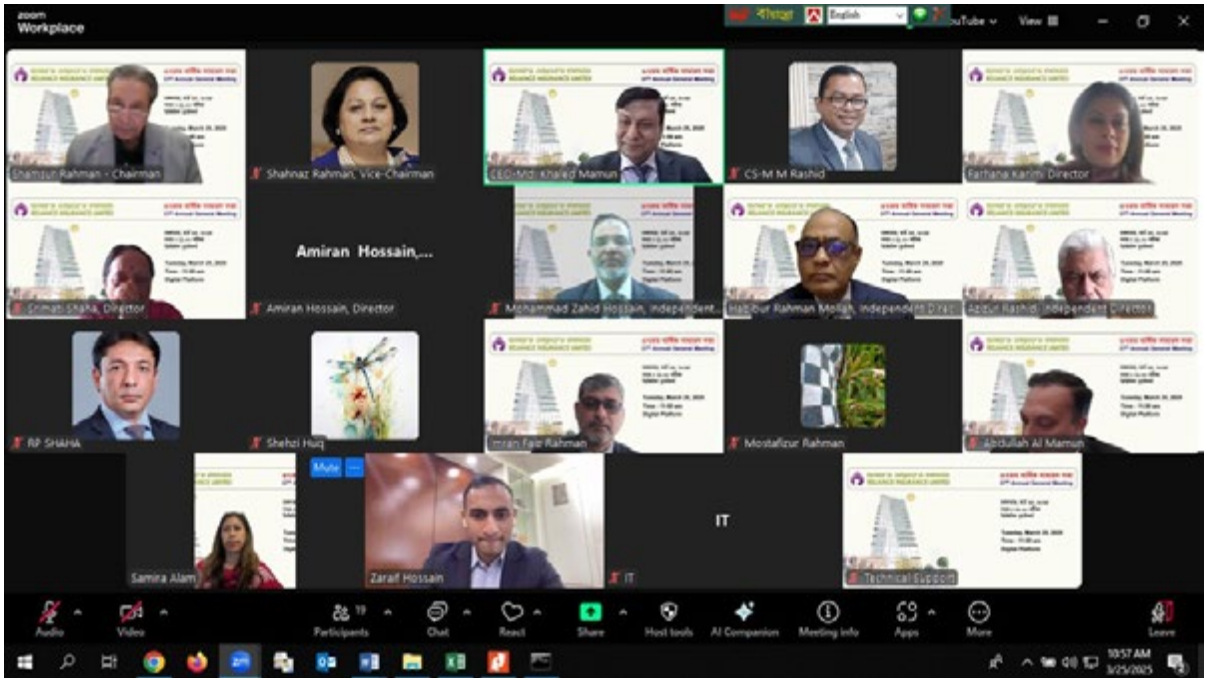
## Insider trading

Reliance has established robust insider trading policies to safeguard market integrity and protect stakeholder interests. These policies prohibit employees, directors, and other insiders from trading in securities based on material, non-public, or price-sensitive information relating to the Company or its stakeholders. Clear reporting obligations and trading restrictions are outlined to ensure full compliance with regulatory requirements and to maintain investor confidence in the Company.

## Data protection and privacy

Reliance handles data protection and privacy as a critical priority for the sensitive nature of policyholder and stakeholder information. The data protection and privacy policies govern the collection, use, storage, and disclosure of personal and confidential information in accordance with prevailing laws and industry best practices. These policies eventually safeguard the Company against unauthorized access, data breaches, and misuse, protecting customer information, maintaining trust, and ensuring regulatory compliance.

# Snapshot of Last Annual General Meeting




# Snapshots of Corporate Events



Corporate Night 2026



Anti-Money Laundering Training



Swiss Re - Property  Underwriting Training



Welcoming new DMD Mr. Md. Shafiul Azam Khan




Seminar on "Navigating Property All Risk, Operational All Risk and Political Violence Policies Together.



Meeting with Reinsurer



New Year Celebration 2026

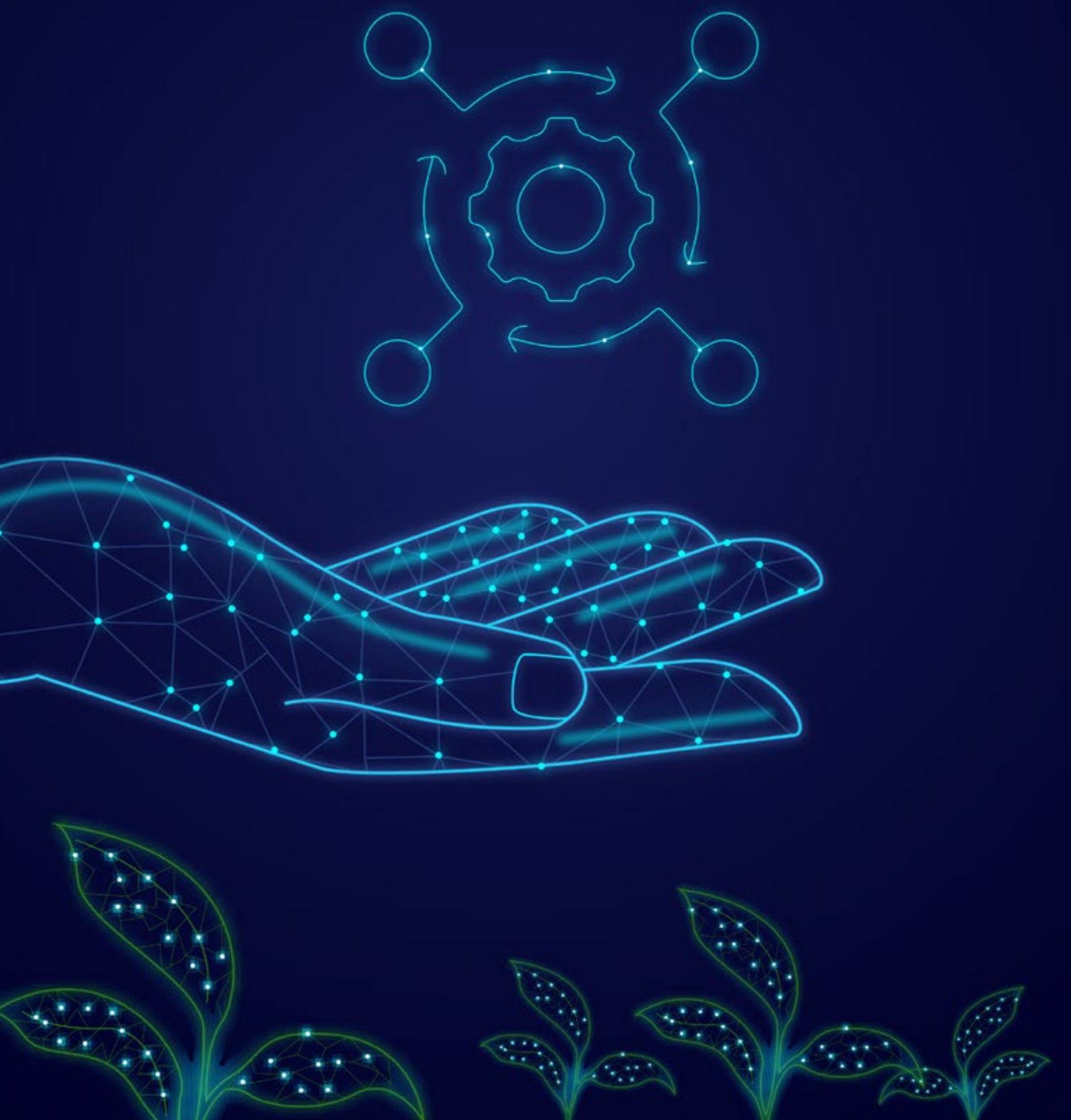


Tree Plantation Program 2026



Meeting with Reinsurer

# STATEMENT OF VALUE ADDED AND ITS DISTRIBUTION



# Value Added Statement

## For the year ended December 31, 2025

| PARTICULARS | 2025<br>Taka (in Million) | 2024<br>Taka (in Million) |
|---|---|---|
| **VALUE ADDED** | | |
| Gross Premium | 5,410.38 | 5,122.02 |
| VAT & Stamp Duty | 615.47 | 508.23 |
| Investment & Other Income | 766.86 | 614.16 |
| Net Claims Incurred | (354.75) | (299.70) |
| Net Reinsurance Cost | (3,344.49) | (3,252.81) |
| Management Expenses | (820.08) | (480.27) |
| Unexpired risk | (47.39) | (58.19) |
| **TOTAL VALUE ADDED** | **2,226.00** | **2,153.44** |

APPROPRIATION / DISTRIBUTION OF VALUE ADDITION

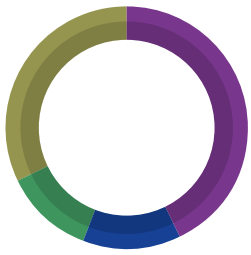
| PARTICULARS | 2025<br>Taka (in Million) | % | 2024<br>Taka (in Million) | % |
|---|---|---|---|---|
| **To Government** | | | | |
| VAT & Stamp Duty | 615.47 | 28% | 508.23 | 24% |
| Tax | 445.38 | 20% | 410.20 | 19% |
| To Employees | | | | |
| as remuneration | 279.90 | 13% | 276.17 | 13% |
| To Shareholders | | | | |
| as dividends | 315.48 | 14% | 262.90 | 12% |
| Retained in business | | | | |
| Retained Earnings | 310.04 | 14% | 450.60 | 21% |
| General Reserve | 100.00 | 4% | 100.00 | 5% |
| Reserve for exceptional lossees | 159.72 | 7% | 145.33 | 7% |
| | 569.76 | | 695.93 | |
| **TOTAL DISTRIBUTION** | **2,226.00** | **100%** | **2,153.44** | **100%** |

### Value Added, 2025



- **48%** To Government
- **13%** To Employees
- **14%** To Shareholders
- **26%** Retained in business

### Value Added, 2024



- **43%** To Government
- **13%** To Employees
- **12%** To Shareholders
- **32%** Retained in business

# Economic Value-Added

Economic Value Added (EVA) is the financial performance measure that attempts to measure the true economic profit of an organization. It provides a measurement of a company's economic achievement (success or failure) over a period of time. Such a metric is useful for investors who wish to determine how well a company has added value for its investors and it can be compared against company's peers for a quick analysis of how well the company is operating in its industry. Companies which earn higher returns than cost of capital create value, and companies which earn lower returns than cost of capital are deemed harmful for shareholder value. Economic value added is calculated by taking a company's net profit after tax less cost of capital.

(Tk. in million)

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| *Average shareholders' equity at the end | 5,989.68 | 5,414.93 | 4,715.80 | 4,284.90 | 3,930.44 | 3,601.53 |
| **Cost of equity (%) | 11.35 | 12.00 | 11.34 | 6.99 | 5.22 | 5.22 |
| | | | | | | |
| **Economic Value Added** | **205.42** | **309.05** | **155.41** | **316.42** | **382.64** | **360.18** |
| Net profit after tax | 885.25 | 958.84 | 690.18 | 615.93 | 587.81 | 548.18 |
| Less: Cost of equity | 679.83 | 649.79 | 534.77 | 299.51 | 205.17 | 188.00 |

*Land revaluation reserve and fair value adjustment of shares were not considered while computing average shareholders' equity.

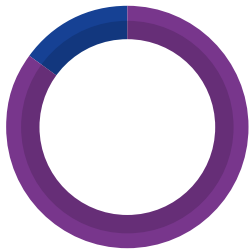
**It is the opportunity cost i.e. the expected risk free return on investments, plus a risk premium. Interest on Bangladesh Government Sanchaya Patra plus 2% risk premium has been assumed to be the cost of equity.

# Market Value Added

Market Value Added (MVA) is the difference between the total market value (based on the quoted price in the main bourse) and the total book value of the Company's shares. The higher the MVA, the better the Company's position. A high MVA indicates the Company has created substantial wealth for the shareholders. A negative MVA means that the value of management's action and investments is less than the value of the capital contributed to the Company by the capital market (or that wealth and value have been destroyed).

As of December 31, 2025, the total share market value of Reliance Insurance PLC stood at Taka 6,856.50 million, whereas the book value of the Shareholders' Equity stood at Taka 8,302.36 million, resulting in a Market Value Added of Taka (1,446.16) million. The calculation of Market Value is given below:

**Market Value Added** BDT mn



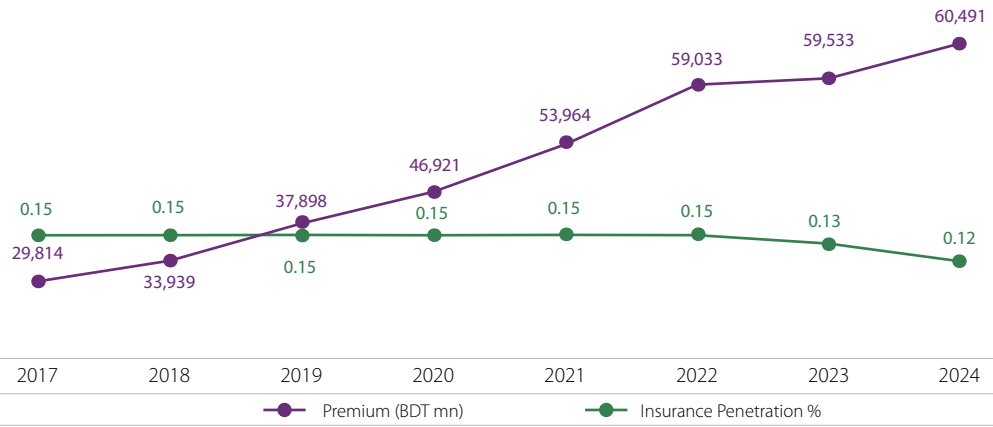
- **8,302.66** Book Value
- **(1,446.16)** Market Value Added

| Particulars | Numbers of Shares | Value Per Share (Taka) | Total Value (Taka in Million) |
|---|---|---|---|
| Market Value | 105,161,087 | 65.20 | 6,856.50 |
| Book Value | 105,161,087 | 78.95 | 8,302.66 |
| Market Value Added | | | (1,446.16) |

# Bangladesh Non-Life Insurance Market Composition & RIPLC Share

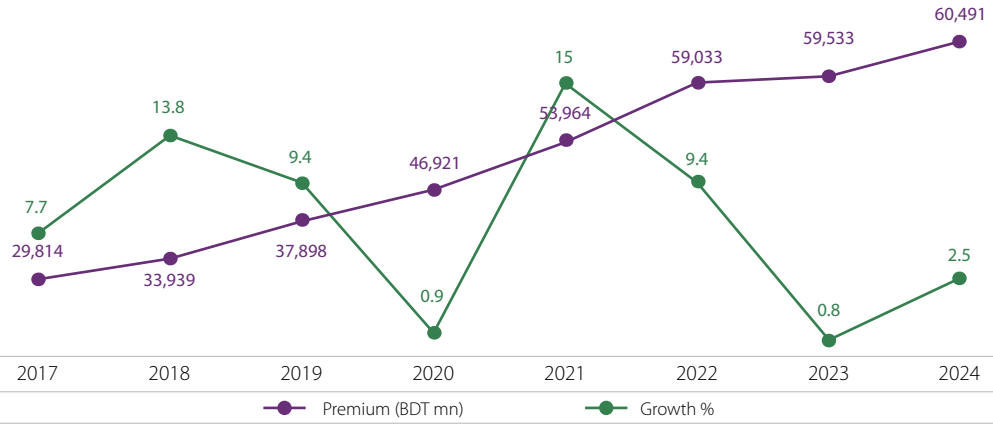
Bangladesh non-life insurance Premium in 2024 was BDT 60,491 million. Last 9 year's Premium growth and penetration rate (Non-life insurance premium as % of GDP) is shown in the chart below:

### Bangladesh Non-Life Insurance Market Premium & Insurance Penetration




The Market growth rates have been as follows:

### Non-Life Premium Development in Bangladesh



The non-life market in Bangladesh is comprised of 46 insurance companies including one state enterprise. The Premium income of top 10 Non-life Insurance companies in 2024 and their respective market shares are shown below.

## Top 10 Non-Life Insurers Premium Income in 2024

BDT mn



- 5,122 Reliance
- 4,108 Green Delta
- 3,221 Pioneer
- 2,504 Pragati
- 1,537 Prime
- 1,140 Provati
- 1,121 Bangladesh National
- 941 Eastland
- 888 Republic
- 903 Northern Islami

It may be observed that no single insurer has a large market share. The top 10 private sector insurers collectively account for a market share of 49.28%.

## TOP 10 NON-LIFE COMPANIES MARKET SHARE IN % IN 2024



- 11.7% Reliance
- 9.4% Green Delta
- 7.4% Pioneer
- 5.7% Pragati
- 3.5% Prime
- 2.6% Provati
- 2.6% Bangladesh National
- 2.2% Eastland
- 2.0% Republic
- 2.1% Northern Islami

# SPECIFIC AREAS FOR INSURANCE SECTOR







# Claims Management and Details of Outstanding Claims (IBNR & IBNER) with Ageing Thereof

One of the fundamental and most crucial functions of an insurance company is its Claim management. Exerting excellence in claims handling provides the vital competitive edge for an insurance company and it is a service that clients greatly value. Thereby, the ultimate test of a responsible and efficient insurer greatly depends on its capability of Claim management to settle/discharge the claims to derive the satisfaction of its clients.

Following the COVID-19 scenario, the outbreak of war / warlike situation at Russia, Ukraine, and Israel-Hamas clashes at the West Bank causing huge casualties to Palestinian settlement at Gaza Strip raised ensuing threats of terrorist attacks in different Middle-East countries. Under this scenario, trading through the Black Sea, Mediterranean Sea and Red Sea becomes highly risky and to a great extent under sanction. Due to all these unrest situation, economic slump is being observed in many countries around the world. Particularly, investors of industry and service sectors in Bangladesh are facing great challenge to such economic crises due to scarcity of foreign currency reserve, especially US Dollar. The mentionable sectors facing financial threats are: export-oriented industries, shipping, aviation, tourism linked hotels/resorts, international trading, and such other businesses. Owing to this abnormal situation, unprecedented claims are also triggering or likely to trigger. For instance, claims due to loss of / damage to cargo under detention period at different ports, factories operating as silent risk (i.e., not in operation) having huge stock of raw materials/finished goods lying idle at their warehouse are exposed to risk of fire generating high volume claims, business interruption claims or even general average claims arising at overseas sea-ports, abnormal Marine Hull losses etc. are imminent. At this backdrop, the upcoming unusual socio-economic, legal, political and technological changes, whether local or global, demand Claims Management to cope up with such different conditions accordingly.

Claims Management comprises of services and/or advisory support in respect of claims for compensation, restitution, repayment or any other remedy for loss or damage. Underwriting and claims settlement are the two vital facets of operation of an insurance company, which are closely interlinked to each other.

The basis of insurance is risk pooling, which carries the obligation of paying losses. A client obtains an insurance policy by paying a price (termed as premium) reposing trust on the insurer that upon occurrence of any incident caused by named perils, the financial losses to the subject matter of insurance, arisen thereto, would be indemnified by the insurer. Thus, by entering into any insurance contract, the client has the following expectations from the insurer:



Adequate insurance coverage, which does not leave one high and dry in time of need with appropriate pricing.



Timely delivery of defect-free policy documents with relevant guidelines endorsements/ warranties/conditions as applicable.



Should a claim happen, quick settlement of the claim to the insured's satisfaction.

Hence, payment of legitimate insurance claims for losses that the insured have reasonably suffered is the primary reason for buying insurance.

Reliance Insurance has its corporate philosophy on claims management setting out broad approaches aimed at providing high quality service and expeditious settlement of claims. It specifies the nature of claims service and also the IT enabled interactive process to monitor the status of the claim.

Reliance Insurance prefers to manage the claims rather than merely handling them. The claim handling process starts with notification of loss to Reliance Insurance and the company upon registering the claim, appoints a licensed loss adjuster firm immediately upon receipt of the loss intimation. In order to ensure speedy disposal of claims, the insured and/or their agent are always requested to submit all available supporting documents without delay.

A checklist of minimum requisite documents/papers in support of the claims arising under each class of business is maintained at the Head Office of Reliance Insurance. The company undertakes all necessary steps expeditiously in an orderly sequence: contact the insured, arrange to inspect the loss through an independent loss adjuster, ascertain quantum of loss and company's liability thereof by the loss adjuster, etc. Reliance Insurance also suggests their clients time to time about the preventive measures to be adopted to avert/minimize the loss and to take steps to protect the salvage. Internally, the Reinsurance Department is also informed of the loss, for processing recovery from Reinsurers, where applicable.

As soon as Reliance Insurance receives all necessary papers along with survey report from the loss adjuster, it quickly scrutinizes all documents against the checklist of requirements, verifies the loss adjustment made by the surveyor and if in order, proceeds with the settlement of claim without any delay. In addition to Claims which are settled during the accounting period, adequate provision for outstanding claims, if any, are also made against unsettled claims.

In recognition to its claims services, Reliance Insurance has been awarded a Credit Rating of AAA in claims pay-ability by the Credit Rating Information and Services Limited (CRISL).

### Outstanding Claims (IBNR and IBNER) with ageing thereof

Apart from claims which are settled during an accounting period, outstanding liabilities against insurance claims may exist or arise in respect of claims which have been incurred but not enough/adequately reported (IBNER), or those claims which have been incurred but not yet reported (IBNR).

In general, there might be delay in settlement of the claims on the part of the insurer, the typical reasons of which are: (i) delay in reporting (time gap between claim occurrence and claim reporting by the insured at the insurance company); and (ii) delay in settlement due to the complicated nature of claim or claim of big volume which usually takes time to evaluate as to the cause of loss and its quantum as appropriate. The time gap between claims occurrence and claims closing (i.e., final settlement) may take days (for instance, in case of vehicle / property insurances), but it may also take even years (typically, in case of liability insurances involving court proceedings to ascertain the indemnity). Claims arising due to Business Interruption or Loss of Profit in Property insurance and Marine Cargo/Hull Claims arising due to declaration of General Average (GA) also take longer time to assess and usually come up for settlement after a gap of months or even years from the occurrence of loss.

Adequate provisions are created by setting aside a portion of net premium earnings so that the insurer is able to settle all the outstanding claim liabilities that are proximately caused by perils falling within the scope of insurance contracts. The following formula is usually applied to calculate the provision for such outstanding claims:

**Total IBNR = "Pure IBNR" + "IBNER"**

For sake of proper accounting practice, reserve for each outstanding claim is maintained in respect of the financial years. Reserve for claims incurred but not reported (IBNR) and Reserve for claims incurred but not enough reported (IBNER) are the two terms that can be regarded as carrying similar meaning and are usually grouped together.

In some types of functionality, especially in reinsurance and in the London market, IBNR provisions include any IBNER provisions. Sometimes, the provision for claims incurred on or before the valuation date is referred to as the True IBNR or the pure IBNR.

The liability for outstanding claims in the Balance Sheet of a non-life insurance company includes a provision for both IBNR and IBNER. Technically, there is a practice of creating reserve against future liability arising out of claims which have occurred but have not yet been settled.

### Incurred but not Reported (IBNR) Losses Reserve

IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date. In case of a re-insurer, the reserve needs also to provide for claims that, although known to the cedant, have not yet been reported to the re-insurer as being liable to involve the re-insurer. The classical example of such delayed claims relate to personal injury and/or liability arising from asbestosis related diseases.

IBNR reflects the total amount owed by the insurer to all valid claimants who have had a covered loss but have not yet reported it. Since the insurer neither knows exactly how many of these losses (i.e., the frequency) have occurred, nor the severity of each loss, IBNR is necessarily an estimate. The quality of this estimation is often used as a tool in assessing

the financial accounting skills of a given insurer. Insurers track IBNR by policy periods (when incepted), along with other categorizations. Statistical analysis is made using Claims Development relating to each Policy (UW) year which traces the claims development pattern over a period of time until all claims relating to a relevant Policy year are completely extinguished through settlement.

The characteristics of IBNR makes it look more like a reserve or provision for the particular types of losses not reported, hence gives a better estimation of profits for the insurer's current business period.

### Incurred but not Enough Reported (IBNER) Loss Reserve

IBNER refers to a reserve reflecting expected changes (increases and decreases) in estimates for reported claims only. The abbreviation is sometimes stated as applying to "incurred but not enough reserved".

Some liability claims may be filed long after the event that caused the injury/financial loss to occur. Asbestos-related diseases, for instance, do not show up until decades after the exposure. Directors' & Officers' Liability claims may also arise long after expiry of the policy period if they found liable for compensation upon court order. General Average claims in case of marine cargo and/or hull losses may be assessed long after occurrence of the incident. Reserve for such outstanding claims also has to be created adequately against IBNER losses. IBNER also refers to estimates made about claims already reported but where the full extent of injury is not yet known, such as, workmen's compensation claims where the degree to which work-related injuries prevents a worker from earning what he or she earned before the injury that unfolds over time. Reliance Insurance prefers to adjust reserves for such losses regularly as and when such new information becomes available.

In particular reference to Bangladesh Insurance market, delayed reporting in certain classes of insurance, as mentioned above, are very few. Liability classes of insurance Policies sold are limited. Business Interruption and General average under Marine insurance could possibly give rise to cases of delayed settlement of claims; but such claims only arise very occasionally.

As per the existing directives of our local insurance regulatory body, i.e., IDRA (Insurance Development and Regulatory Authority) of Bangladesh, quarterly reporting of all outstanding claims with aging thereof including their specific reasons for delay in settlement of such respective outstanding claims is mandatory.

Reliance Insurance maintains an adequate provision against each of such outstanding claims with respective aging thereof.

Under the current Insurance Laws of Bangladesh, it is not yet obligatory to provide reserves for IBNR and/or IBNER claims. However, in accordance with the solvency margin regulations proposed under Insurance Act 2010, such reserves would require to be maintained in the manner to be prescribed by the relevant Rules.

### Certificate of Actuary giving details of the liabilities on account of live policies and estimates/assumptions made for the same

Certificate of actuary at present is not applicable since it is not a requirement under the Insurance Act 2010.

# Financial Point Up

BDT in million

### Highlights of segment revenue account

| DETAILS | FIRE | MARINE | | MISCELLANEOUS | | GRAND TOTAL. |
|---|---|---|---|---|---|---|
| | | CARGO | HULL | MOTOR | MISC. | |
| Gross premium | 3,326.06 | 959.04 | 223.07 | 123.36 | 778.85 | 5,410.38 |
| Net premium | 576.97 | 669.81 | 40.45 | 119.96 | 189.99 | 1,597.19 |
| Unexpired risk reserve | 230.79 | 267.92 | 40.45 | 47.99 | 76.00 | 663.14 |
| Management expense | 258.76 | 74.27 | 17.28 | 10.15 | 60.41 | 420.86 |
| R/I Commission earned on ceded | 255.90 | 92.69 | 36.05 | 0.15 | 83.91 | 468.71 |
| Agency commission | 421.21 | 61.71 | 11.13 | 21.37 | 26.34 | 541.76 |
| Net Claim expense | 267.17 | 85.60 | (19.40) | 16.76 | 4.61 | 354.75 |
| Underwriting Profit | (163.13) | 521.91 | 84.42 | 75.37 | 182.56 | 701.13 |

### Estimated liability In respect of outstanding claims

| DETAILS | FIRE | MARINE | | MISCELLANEOUS | | GRAND TOTAL. |
|---|---|---|---|---|---|---|
| | | CARGO | HULL | MOTOR | MISC. | |
| NET CLAIMS OUTSTANDING FOR THE YEAR | 270.93 | 233.85 | 4.43 | 33.61 | 104.51 | 647.33 |

### Outstanding premium/ Unearned premium

The policies or cover notes issued against Bank Guarantee on the closing date of the accounting period becomes outstanding and this is presented in the Statement of Financial Position (Balance Sheet) under note no. 16 Advance, deposits and prepayments with a sub head of Collection control.

### Net claims under different categories of policies

| DETAILS | FIRE | MARINE | | MISCELLANEOUS | | GRAND TOTAL. |
|---|---|---|---|---|---|---|
| | | CARGO | HULL | MOTOR | MISC. | |
| Net claims under different categories of policies | 267.17 | 85.60 | (19.40) | 16.76 | 4.61 | 354.75 |

### Disclosures of re-insurance ceded premium & claim recovered

| DETAILS | FIRE | MARINE | | MISCELLANEOUS | | GRAND TOTAL. |
|---|---|---|---|---|---|---|
| | | CARGO | HULL | MOTOR | MISC. | |
| Re-insurance Premium on Ceded | 2,749.09 | 289.22 | 182.63 | 3.40 | 588.85 | 3,813.19 |
| Claim Recoverable | 344.01 | 204.07 | 15.57 | - | 195.89 | 759.54 |

### Disclosures of unexpired risk / Balance of Fund

Unexpired risk is the risk the period of which has not been expired during the accounting period of an insurer starting from 1 January to 31 December of a Gregorian calendar year. When a policy issued on January 1 of a year only that risk is expired on December 31 of that year. But the policy which is issued on January 2 the risk remains unexpired on December 31 for 1 day of the next year. Therefore, the risks of around 50% policies remained unexpired during a financial year of an insurer. However, there are specific regulations in the "Insurance (Investment and maintenance of Non-life insurers) Regulations 2019. According to which necessary reserve funds are provided for in the concerned classes of Revenue Accounts @40% for all

classes of retained premium other than marine hull whereas @100% for marine hull retained premium. This unexpired reserve is accounted for and presented at the Statement of Financial Position (Balance Sheet) as Balance of Fund under note no. 5.

| DETAILS | FIRE | MARINE | | MISCELLANEOUS | | GRAND TOTAL. |
|---|---|---|---|---|---|---|
| | | CARGO | HULL | MOTOR | MISC. | |
| Unexpired risk reserve / Balance of Fund | 230.79 | 267.92 | 40.45 | 47.99 | 76.00 | 663.14 |

## Capital adequacy

Adequcy of capital and shareholders equity its growth is shown below -

| Year | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Shareholders Equity (BDT mn) | 8,302.66 | 7,318.36 | 7,030.36 | 6,585.21 | 6,610.66 |
| Growth | 13.45% | 4.10% | 6.76% | -0.38% | 3.50% |

## Reserve adequacy

Adequcy of reserve its growth is shown below -

| Year | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Total Reserve | 7,914.20 | 6,882.50 | 6,536.30 | 6,085.90 | 6,040.66 |
| Growth | 14.99% | 5.30% | 7.40% | 0.75% | 4.62% |

# Available, Required Solvency Margin and Solvency Ratio

Available solvency margin of Reliance Insurance PLC is Taka 263.22 crore against Required solvency margin Taka 101.30 crore and Solvency ratio is 2.60 times.

As per IDRA published gazette S.R.O No. 313-Act/2024 dated 18 September 2024, Non-life Insurance Solvency Margin provisions, 2024 required solvency margin, available solvency margin and solvency ratio is shown below:

## (C) FORM - SOLVENCY MARGIN (SM)

Reliance Insurance PLC.

Registration Number : CR 1/88

Date of Registration : April 7, 1988

(Amount in Crore Taka & ratio in times)

| Sl. No. | Description | Comments | Amount |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| 1 | Adjusted Assets | | 972.29 |
| 2 | Total Liabilities | | 140.42 |
| 3 | Other Liabilities of Shareholders | | 508.26 |
| 4 | Available Solvency Margin (ASM) = (1-2-3) | | 323.61 |
| 5 | Required Solvency Margin (RSM) | | 106.64 |
| 6 | Solvency Ratio 4/5 or (ASM) / (RSM) | | 3.03 |

**Nasir U Ahmed, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)**
Additional Managing Partner
ICAB Enrolment No.0535
**MABS & J Partners**
Chartered Accountants.

**Chief Executive Officer**

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## (B) FORM - REQUIRED SOLVENCY MARGIN (RSM)

Reliance Insurance PLC.

Registration Number : CR 1/88 Date of Registration : April 7, 1988

**Table 1: Statement of Solvency Margin based on Premium 2025**

(Amount in Taka '000s)

| Sl. No. | Type of Business | Gross Premium (GP) | Net Premium (NP) | Factor | Gross Premium Factor (GPF) | 40% of NP | 25% of GPF | Required Solvency Margin-1 (RSM-1 Whichever is higher from Clo 7 or Col 8) |
|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) = Col (3) X Col (5) | (7) | (8) | (9) |
| 1 | Fire | 3,326,062.68 | 576,972.32 | 0.70 | 2,328,243.88 | 230,788.93 | 582,060.97 | 582,060.97 |
| 2 | Marine Cargo | 959,037.23 | 669,811.62 | 0.60 | 575,422.34 | 267,924.65 | 143,855.58 | 267,924.65 |
| 3 | Marine Hull | 223,074.11 | 40,448.72 | 0.50 | 111,537.05 | 16,179.49 | 27,884.26 | 27,884.26 |
| 4 | Motor | 123,360.09 | 119,962.67 | 0.75 | 92,520.07 | 47,985.07 | 23,130.02 | 47,985.07 |
| 5 | Aviation | 13,262.29 | 346.02 | 1.00 | 13,262.29 | 138.41 | 3,315.57 | 3,315.57 |
| 6 | Misc. | 749,622.48 | 174,601.25 | 0.70 | 524,735.73 | 69,840.50 | 131,183.93 | 131,183.93 |
| 7 | Health | 15,960.52 | 15,046.57 | 1.00 | 15,960.52 | 6,018.63 | 3,990.13 | 6,018.63 |
| **Total** | | **5,410,379.40** | **1,597,189.18** | | **3,661,681.88** | **638,875.67** | **915,420.47** | **1,066,373.08** |

**Table 2: Statement Solvency Margin based on Claim Received 2025**

(Amount in Crore Taka)

| Sl. | Type of Business | Gross Claim (GC) | Net Claim (NC) | Factor | Gross Claim Factor (GCF) | 50% of Net Claim | 25% of Gross Claim Factor | Required Solvency Margin-2 (RSM-2 Whichever is higher from Clo 7 or Col 8) |
|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) = Col (3) X Col (5) | (7) | (8) | (9) |
| 1 | Fire | 35.52 | 26.72 | 0.80 | 28.42 | 13.36 | 7.10 | 13.36 |
| 2 | Marine Cargo | 29.28 | 8.56 | 0.70 | 20.49 | 4.28 | 5.12 | 5.12 |
| 3 | Marine Hull | 1.10 | (1.94) | 0.70 | 0.77 | (0.97) | 0.19 | 0.19 |
| 4 | Motor | 1.68 | 1.68 | 0.85 | 1.42 | 0.84 | 0.36 | 0.84 |
| 5 | Aviation | - | - | 1.00 | - | - | - | - |
| 6 | Misc. | (2.26) | (1.39) | 0.70 | (1.59) | (0.69) | (0.40) | (0.40) |
| 7 | Health | 1.85 | 1.85 | 1.00 | 1.85 | 0.92 | 0.46 | 0.92 |
| **Total** | | **67.16** | **35.47** | | **51.37** | **17.73** | **12.84** | **20.04** |

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## (B) STATEMENT OF VALUATION OF ASSETS

### FORM - VALUE OF ASSETS (VA)

**STATEMENT OF ASSETS AS AT DECEMBER 31, 2025**

Reliance Insurance PLC.

Registration Number : CR 1/88 Date of Registration : April 7, 1988

| Serial No. | Category of Assets | Amount (In Taka) |
|---|---|---|
| (1) | (2) | (3) |
| 1. | Cash and Cash Equivalents | 403,777,900 |
| 2. | Government Securities (Lower of 'Market Price' or 'Fair Value') | 2,880,641,620 |
| 3. | Fixed Deposits (Whichever amount is collectible) | 3,193,547,272 |
| 4. | Investment in equities and shares (Lower of 'Market Price' or 'Fair Value') | 1,564,826,805 |
| 5. | Mutual Fund (Lower of the 'Market Price' or 'Net Asset Value' or 'Fair Value') | 247,162,458 |
| 6. | Debentures/Bonds (Lower of 'Market Price' or 'Fair Value') | |
| 7. | Investment in other securities (Lower of 'Market Price' or 'Fair Value') | |
| 8. | Investment in Property/Real Estate (Lower of 'Purchase Price' or 'Fair Value') | 1,028,095,484 |
| 9. | Other Tangible Assets (Lowest of the 'Purchase Price', or Discounted Price' or 'Fair Value') | 404,863,615 |
| **10.** | **TOTAL Assets** | **9,722,915,154** |

## STATEMENT OF VALUATION OF LIABILITIES

### FORM - VALUE OF LIABILITIES (VL)

**SUMMARY OF VALUATION OF LIABILITES AS AT DECEMBER 31, 2025**

Reliance Insurance PLC.

Registration Number : CR 1/88 Date of Registration : April 7, 1988

(Amount in Taka '000s)

| Serial No. | Description | Reserves against Unexpired risks | Reserves for outstanding claims | Incurred But Not Reported (IBNR) Reserves | Total (3+4+5) |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1 | Fire | 230,789 | 270,932 | - | 501,721 |
| 2 | Marine Business except Marine Hull Insurance | 334,906 | 233,854 | - | 568,760 |
| 3 | Marine Hull | 40,449 | 4,430 | - | 44,878 |
| 4 | Motor | 47,985 | 33,609 | - | 81,594 |
| 5 | Aviation | 346 | - | - | 346 |
| 6 | Miscellaneous | 87,301 | 104,510 | - | 191,810 |
| 7 | Health Insurance | 15,047 | - | - | 15,047 |
| 8 | Total Liabilities | 756,822 | 647,335 | - | 1,404,157 |

# Key Ratios in the Insurance Sector

### Profitability & Management efficiency

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| R/I premium ceded as % of gross premium | 70.48 | 71.63 | 65.70 | 63.84 | 63.42 | 63.82 |
| Agency Commission as % of Gross Premium | 10.01 | 5.65 | 7.20 | 8.65 | 5.93 | 14.72 |
| Net R/I Commission Earned as % of Gross Premium | 8.66 | 8.12 | 8.49 | 9.01 | 8.71 | 8.76 |
| Net R/I Commission Earned as % of Net Premium | 29.35 | 28.62 | 24.76 | 24.93 | 23.80 | 24.22 |
| Management Expenses (Revenue A/C) as % of Gross Premium | 7.78 | 8.28 | 10.65 | 11.45 | 11.08 | 10.77 |
| Management Expenses (Revenue A/C) as % of Net Premium | 26.35 | 29.17 | 31.06 | 31.65 | 30.27 | 29.77 |
| Combined ratio as % on Gross Premium | 82.48 | 69.72 | 76.18 | 71.10 | 67.21 | 90.31 |
| Net Claims Incurred as % of Gross Premium | 6.56 | 5.85 | 8.28 | 5.61 | 7.58 | 7.18 |
| Net Claims Incurred as % of Net Premium | 22.21 | 20.62 | 24.13 | 15.52 | 20.73 | 19.85 |
| Underwriting Result as % of Gross Premium | 12.96 | 15.58 | 16.53 | 17.46 | 18.29 | 16.04 |
| Underwriting Result as % of Net Premium | 43.90 | 54.89 | 48.18 | 48.28 | 50.01 | 44.33 |
| Available solvency margin | 3,236.12 | 2,632.20 | 6,086.48 | 5,670.04 | 5,712.90 | 6,333.77 |
| Premium growth ratio | 5.63 | 31.25 | 10.75 | 12.21 | 6.92 | (2.23) |
| Claim settlement ratio | 29.88 | 61.55 | 53.26 | 44.53 | 48.20 | 38.20 |
| Persistancy ratio | 95.6 | 95 | 95.00 | 91.00 | 95.00 | 93.00 |
| Reinsurance claim recovery percentage | 45.53 | 52.39 | 86.49 | 70.99 | 81.74 | 51.42 |

### Performance with respect to shareholders

| Particulars | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| External Liability Ratio | N/A | N/A | N/A | N/A | N/A | N/A |
| Internal Capital Generation Ratio | 28.33 | 27.83 | 22.52 | 21.05 | 19.01 | 17.89 |
| Exceptional Loss Reserve to Net Premium | 130.53 | 132.46 | 129.17 | 129.17 | 132.17 | 132.10 |
| Capital & Fund to total Assets | 54.74 | 52.52 | 56.12 | 56.74 | 59.65 | 62.14 |
| Retention Ratio | 29.52 | 28.37 | 34.30 | 36.16 | 36.58 | 36.18 |
| Premium to Equity | 65.16 | 69.99 | 55.51 | 52.24 | 46.38 | 45.99 |
| Underwriting Result on Net Premium | 43.90 | 54.89 | 48.18 | 48.28 | 50.01 | 44.33 |
| Net Profit Margin on Net Premium | 55.43 | 65.98 | 51.56 | 48.34 | 51.16 | 51.59 |
| Return on Average Assets (ROAA) | 6.08 | 7.51 | 5.72 | 5.43 | 5.50 | 5.75 |
| Return on Average Equity(ROAE) | 11.33 | 13.79 | 10.14 | 9.34 | 9.04 | 8.99 |
| Net Asset Value (NAV) Growth | 26.08 | 11.13 | 6.76 | (0.38) | 6.02 | 15.46 |
| Capital appreciation | - | - | - | - | - | - |
| Liquid Asset to Total Insurance Fund | 3.10 | 2.91 | 3.19 | 3.15 | 3.40 | 3.29 |
| Total Liquid Asset to Total Asset | 56.17 | 53.11 | 59.47 | 59.66 | 61.37 | 58.99 |

# Review of Assets Quality

Reliance Insurance PLC always focuses on the superior assets quality so that these will bring highest value to the Company , ensure satisfactory return to the stakeholders and ensure sustainable development. To perform the said objectives, company has the policy to review of its assets periodically and as a result of continuous monitoring and development of the assets quality, Company achieved the hefty growth for the past years. Following figures showing five years growth of the assets may demonstrate how the Company maintains its assets quality to increase value to the Company.

Reliance ensures high degree of liquidity of its assets - more than 54.66% of its assets comprise of cash and quickly disposable shares and securities. Its share investment portfolio comprise of investments into companies with strong fundamentals. Though adverse situation of stock markets in Bangladesh during the year 2024-2025, still Reliance could earned steady investment income, which bear testimony to the prudent investment policies followed by the Company.

### Position of Total Assets

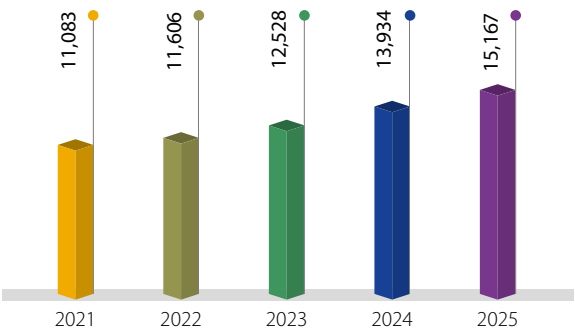
| Year | Property, plant & equipments | Investments | Cash, Fixed Deposit and bank Balances | Other assets | Total |
|---|---|---|---|---|---|
| 2019 | 1,911.14 | 1,876.34 | 2,844.50 | 2,367.75 | 8,999.72 |
| 2020 | 1,882.32 | 2,839.10 | 3,116.30 | 2,440.18 | 10,277.90 |
| 2021 | 1,862.95 | 3,172.68 | 3,483.42 | 2,563.83 | 11,082.88 |
| 2022 | 1,845.28 | 2,875.43 | 3,932.64 | 2,952.24 | 11,605.59 |
| 2023 | 1,822.11 | 3,202.10 | 4,125.60 | 3,377.82 | 12,527.64 |
| 2024 | 1,813.31 | 3,605.20 | 3,615.78 | 4,899.83 | 13,934.12 |
| 2025 | 3,435.47 | 4,692.63 | 3,597.33 | 3,441.99 | 15,167.41 |

### Position of Investable Assets

| Particulars | 2025 | % | 2024 | % |
|---|---|---|---|---|
| **Investment** | | | | |
| Short term | 1,811.99 | 15 | 1,780.59 | 17 |
| Long term | 2,880.64 | 25 | 1,824.61 | 18 |
| **Total** | **4,692.63** | **40** | **3,605.20** | **35** |
| Cash in Bank | 3,597.33 | 31 | 3,615.78 | 35 |
| Fixed assets and others | 3,435.47 | 29 | 3,006.88 | 29 |
| **Total** | **11,725.43** | **100** | **10,227.86** | **100** |

### Total Asset

BDT Million

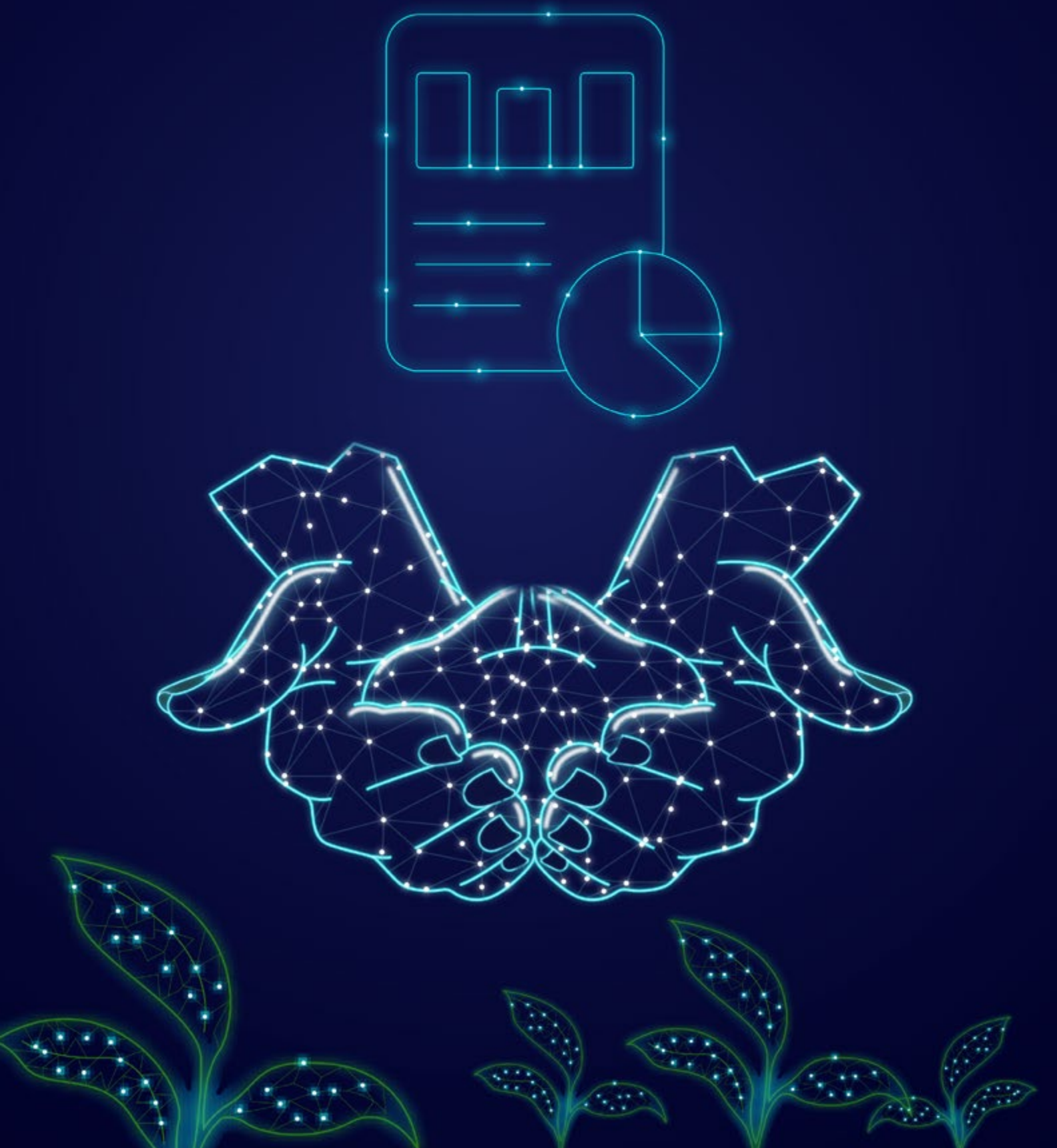



### Investable Assets



- **15%** Share & Debentures Short term
- **25%** Share & Debentures Long term
- **31%** Cash in Bank
- **29%** Fixed assets and other

# FINANCIAL STATEMENTS



# Independent Auditor's Report to the shareholders

## Independent Auditor's Report to the shareholders

### Opinion

We have audited the financial statements of Reliance Insurance PLC. which comprise the Statement of Financial Position as at 31 December 2025, the Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (FRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 2.09.02 to the financial statements, which describes the implementation process relating to the funding of the deficit in the Company's employees' fund, arising from past service liabilities exceeding the existing fund assets as determined in the actuarial valuation report. Our opinion is not modified in respect of this matter.

### Our Key Audit Matters

Key audit matters are those matters that, in the auditor's professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

| Risk | Our response to the risk |
|---|---|
| **Fair Value Reserve**<br>The company makes a number of investments Taka 1,811,989,263 in the listed securities in stock exchange. Income generated from the investments (dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss is transferred to the fair value reserve as per the policy of the company and maintain adequate deferred tax on such reserve. | We tested the design and operating effectiveness of key control as to monitoring valuation and updating of prices of the positions held by the Company from trusted sources. Additionally, we performed the following.<br>• Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report;<br>• Obtain and assess independent market data for financial instruments and ensure valuation methods comply with IFRS 13 (Fair Value Measurement).<br>• Reviewed and challenged the assumptions used for the valuation models for any unquoted securities. |

| Risk | Our response to the risk |
|---|---|
| This item has significant impact on net asset value of the company and equity balances might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company<br>Details are in note no. 14.02 of the financial statements. | • Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period;<br>• Perform sensitivity analyses on key inputs, challenge management's valuation models, and look for signs of bias in fair value estimation.<br>• Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards, the Insurance Act, the Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.<br>• Ensure proper classification and measurement of financial instruments, recognizing fair value gains/losses in line with accounting standards. |
| **Premium Income**<br>General insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.<br>The company has reported gross premium income of Taka 5,410,379,397 where net premium income 1,597,189,176 for the year ended 31 December 2025. | With respect to Premium income in respect of various types of insurance we carried out the following procedures:<br>• The design and operating effectiveness of key controls around premium income recognition process.<br>• Verify that cancelled, lapsed, or voided policies are appropriately adjusted in the books and that premium refunds (if any) are correctly recorded.<br>• Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. |
| Due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter. | • Perform detailed testing of recorded premium income against policyholder records, cash receipts, and bank statements to ensure accuracy.<br>• Ensure that premium income is recognized appropriately over the coverage period and that unearned premiums are not prematurely recorded as earned revenue.<br>• Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.<br>• Confirm that the premium recognition process aligns with IDRA guidelines, the Insurance Act 2010, and applicable financial reporting standards. |
| **Estimated liability in respect of outstanding claims whether due or intimated and claim payment**<br>This account represents Taka 647,334,844 the claim due or intimated and related balance of recoverable from reinsurer, from the insured and involves significant management judgment and risk of understatement.<br>See note no. 7.00 of the financial statements for details. | We tested the design and operating effectiveness of controls around the due and intimated claim recording process.<br>We additionally carried out the following substantive test around this item:<br>• Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.<br>• Obtained of policy copy and cross check it with claim.<br>• Obtained survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.<br>• Perform data analytics to identify unusual claim patterns, such as high-value claims from specific agents or frequent claims from the same policyholders.<br>• Tested claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.<br>• Assess whether actuarial assumptions align with industry standards and IFRS 17 requirements. |
| **Premium deposit:**<br>This financial statement represents Taka 1,566,159,014 as Premium deposit.<br>The mentioned amount includes premium received against cover notes | We have tested the design and operating effectiveness of controls around the premium deposit recording process.<br>• Reviewed the company's policies and procedures regarding premium deposits, cover notes, and policy issuance timelines. |



| Risk | Our response to the risk |
|---|---|
| for which policies have not been issued within December 31, 2025. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risks against marine cargo have not been assumed until shipment advices are provided and accordingly, policies are issued. The delay in issuing policies after receiving premium deposits exposes the company to financial, regulatory, and reputational risks. Addressing these concerns promptly will enhance compliance, improve financial integrity, and strengthen customer trust. Details are note no. 6.00 to the financial statements. | • Obtained and examined supporting documents (bank statements, cash receipts, and ledger entries) to verify the authenticity and completeness of recorded premium deposits.<br>• Reviewed any unusual or long-outstanding premium deposits and investigated reasons for delays in policy issuance.<br>• Obtained a sample of cover notes related to the premium deposits and identified whether corresponding policies have been issued.<br>• Assessed whether the premium deposit amount is classified correctly in the financial statements in accordance with applicable accounting standards.<br>• Reviewed regulatory requirements regarding policy issuance timelines and determined if there are any non-compliance risks.<br>• Discussed with management any unresolved delays in policy issuance and obtained their action plan for resolving outstanding premium deposits.<br>• Assessed potential legal exposure due to unissued policies and expired cover notes.<br>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines. |

## Other Information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Directors report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b. In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;

c. The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;

d. As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;

e. We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;

f. The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and

g. The expenditure was incurred for the purpose of the company's business.

Signed for & on behalf of
**MABS & J Partners**
Chartered Accountants



**Nasir U Ahmed,** FCA, FCS, CGMA(AICPA),
ACMA(UK), FCA (England & Wales)
Additional Managing Partner
ICAB Enrolment No: 0535
**DVC: 2602260535AS175747**

Place: Dhaka, Bangladesh
Dated : February 26, 2026

Reliance Insurance PLC.

# Statement of Financial Position

as at December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Shareholders' equity & liabilities** | | | |
| **Shareholders' equity** | | **8,302,662,290** | **7,318,364,242** |
| Share capital | 3.00 | 1,051,610,870 | 1,051,610,870 |
| Reserves and surplus | 4.00 | 7,251,051,420 | 6,266,753,372 |
| **Liabilities and provisions** | | **6,864,752,363** | **6,615,751,095** |
| Balance of funds and accounts | 5.00 | 663,144,899 | 615,750,271 |
| Premium deposit | 6.00 | 1,566,159,014 | 1,456,165,893 |
| Unclaimed dividend | | 3,852,460 | 4,036,884 |
| Estimated liability in respect of outstanding claims whether due or intimated | 7.00 | 647,334,844 | 491,770,616 |
| Amounts due to other persons or bodies carrying on insurance business | 8.00 | 684,725,821 | 764,029,176 |
| Outstanding refundable premium | 9.00 | 742,584 | 726,178 |
| Sundry creditors | 10.00 | 2,827,162,072 | 2,898,391,316 |
| Deferred tax liabilities | 11.00 | 471,630,669 | 384,880,761 |
| **Total Shareholders' equity & liabilities** | | **15,167,414,653** | **13,934,115,337** |
| **Net Asset Value per share (NAV)** | 28.00 | **78.95** | **69.59** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** **Director**

Reliance Insurance PLC.

# Statement of Financial Position

as at December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Assets** | | | |
| **Non-current assets** | | **8,128,103,958** | **6,612,084,095** |
| Property, plant and equipment | 12.00 | 2,713,482,451 | 1,813,307,958 |
| Investments Property | 12.01 | 721,990,623 | - |
| Assets under construction | 13.00 | - | 1,193,576,597 |
| Investments | 14.00 | 4,692,630,884 | 3,605,199,540 |
| **Current assets** | | **7,039,310,695** | **7,322,031,242** |
| Stock of stamps and others | 15.00 | 7,747,512 | 6,040,206 |
| Advances, deposits and prepayments | 16.00 | 2,092,432,861 | 2,402,282,991 |
| Premium control | 17.00 | 2,108,174 | 2,108,174 |
| Interest receivable | 18.00 | 229,388,275 | 178,812,734 |
| Amount due from other persons or bodies carrying on insurance business | 19.00 | 1,110,308,701 | 1,117,010,747 |
| **Cash and cash equivalents** | | **3,597,325,172** | **3,615,776,390** |
| Cash in hand | | 50,377 | 121,545 |
| Cash at bank | 20.00 | 403,727,523 | 270,954,845 |
| Fixed deposit receipt (FDR) | 21.00 | 3,193,547,272 | 3,344,700,000 |
| **Total assets** | | **15,167,414,653** | **13,934,115,337** |

**Director**

**Chief Executive Officer**

Signed for and on behalf of
**MABS & J Partners**
Chartered Accountants

**Nasir U Ahmed**, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)
**Additional Managing Partner**
ICAB Enrolment No.0535
**DVC: 2602260535AS175747**

Reliance Insurance PLC.

# Statement of Profit or Loss & other Comprehensive Income

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Expenses of management** | | **137,359,934** | **42,900,583** |
| *(Not applicable to any particular fund or account)* | | | |
| Directors' meeting attendance fees | | 1,022,300 | 898,900 |
| Advertisement and sign board | | 3,155,854 | 3,386,988 |
| Donations | | 2,300,000 | 2,200,000 |
| Subscriptions | | 1,868,288 | 1,955,740 |
| Legal and professional fees | | 677,778 | 1,201,719 |
| Depreciation | | 117,997,441 | 28,000,854 |
| Employees welfare expense | | 30,000 | 247,200 |
| Registration fees | | 5,890,329 | 4,503,432 |
| Security service | | 3,767,944 | - |
| Audit fees | 22.00 | 650,000 | 505,750 |
| **Profit before tax** | | **1,330,631,061** | **1,369,041,786** |
| **Income tax expense** | | **445,384,211** | **410,204,072** |
| Current tax | 23.00 | 446,465,520 | 446,117,746 |
| Deferred tax | 24.00 | (1,081,309) | (35,913,674) |
| Profit after tax (transferred to profit & loss appropriation account ) | | 885,246,850 | 958,837,714 |
| **Total** | | **1,467,990,995** | **1,411,942,369** |

# Profit or Loss Appropriation Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| | | **575,202,179** | **508,234,158** |
| Reserve for exceptional losses | 4.01 | 159,718,918 | 145,331,440 |
| General reserve | | 100,000,000 | 100,000,000 |
| Dividend paid | | 315,483,261 | 262,902,718 |
| Balance at the end of the year as transferred in balance sheet | 4.02 | 2,348,846,965 | 2,035,488,604 |
| **Total** | | **2,924,049,144** | **2,543,722,761** |

| | | | |
|---|---|---|---|
| **Earnings per share (EPS)** | 27.00 | **8.42** | **9.12** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** **Director**

Reliance Insurance PLC.

## Statement of Profit or Loss & other Comprehensive Income

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Profit/(Loss) transferred from:** | | **701,132,153** | **797,786,239** |
| Fire revenue account | | (163,131,234) | 140,628,204 |
| Marine revenue account | | 606,327,904 | 474,601,705 |
| Motor & Miscellaneous revenue account | | 257,935,482 | 182,556,330 |
| Interest, dividend and rent | 25.00 | 762,498,316 | 612,307,103 |
| Other income | 26.00 | 4,360,526 | 1,849,027 |
| **Total** | | **1,467,990,995** | **1,411,942,369** |

## Profit or Loss Appropriation Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Balance brought forward from last year** | | **2,036,964,067** | **1,583,165,301** |
| Net profit after tax for the year brought down | | 885,246,850 | 958,837,714 |
| Transfer of excess depreciation | | 1,838,227 | 1,719,745 |
| **Total** | | **2,924,049,144** | **2,543,722,761** |

## Other Comprehensive Income

for the year ended December 31, 2025

| Particulars | Notes | 2025 | 2024 |
|---|---|---|---|
| **Profit after tax** | | **885,246,850** | **958,837,714** |
| **Other comprehensive income** | | **411,384,726** | **(409,402,447)** |
| Changes in fair value | 14.03 | 48,634,886 | (410,932,891) |
| Revaluation of Assets | | 450,581,057 | - |
| Deferred tax expense on Land & Building | | (80,535,985) | - |
| Deferred tax income on changes in fair value | 24.00 | (7,295,233) | 1,530,444 |
| **Total Comprehensive income for the year** | | **1,296,631,576** | **549,435,268** |

**Director**

**Chief Executive Officer**

Signed for and on behalf of
**MABS & J Partners**
Chartered Accountants

**Nasir U Ahmed**, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)
**Additional Managing Partner**
ICAB Enrolment No.0535
**DVC: 2602260535AS175747**

Reliance Insurance PLC.

# Consolidated Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Claims under policies less reinsurances** | | **354,745,559** | **299,700,907** |
| Claims paid during the year | | 199,181,332 | 364,475,676 |
| Claims outstanding at the end of the year | | 647,334,843 | 491,770,616 |
| Claims outstanding at the end of the previous year | | (491,770,616) | (556,545,385) |
| **Expenses of management** | | **420,860,026** | **423,979,052** |
| **Commission** | | **541,761,966** | **289,557,511** |
| **Profit/(Loss) transferred to Statement of Comprehensive Income** | | **701,132,153** | **797,786,239** |
| **Balance of account at the end of the year** | 5.00 | **663,144,900** | **615,750,271** |
| **Total** | | **2,681,644,604** | **2,426,773,980** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** **Director**

Reliance Insurance PLC.

# Consolidated Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Balance of Account at the beginning of the year** | | **615,750,271** | **557,558,371** |
| **Premium less reinsurances** | | **1,597,189,176** | **1,453,314,402** |
| Premium underwritten | | 5,361,408,670 | 5,040,499,887 |
| Premium refunded | | (59,643,936) | (19,477,184) |
| Premium on PSB | | 108,614,663 | 101,001,534 |
| Reinsurance premium on PSB | | (99,095,268) | (90,900,696) |
| Premium on reinsurance accepted | | - | - |
| Reinsurance premium ceded | | (3,714,094,953) | (3,577,809,139) |
| **Commission on reinsurances** | | **468,705,157** | **415,901,207** |
| Commission earned on reinsurance ceded | | 447,440,518 | 388,264,703 |
| Profit commission | | 9,652,174 | 16,973,945 |
| Commission earned on PSB | | 11,612,465 | 10,662,559 |
| **Total** | | **2,681,644,604** | **2,426,773,980** |

**Director**

**Chief Executive Officer**

Signed for and on behalf of
**MABS & J Partners**
Chartered Accountants

**Nasir U Ahmed**, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)
**Additional Managing Partner**
ICAB Enrolment No.0535
**DVC: 2602260535AS175747**

Reliance Insurance PLC.

# Fire Insurance Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Claims under policies less reinsurances** | | **267,170,095** | **120,979,845** |
| Claims paid during the year | | 97,241,925 | 238,550,920 |
| Claims outstanding at the end of the year | | 270,931,751 | 101,003,581 |
| Claims outstanding at the end of the previous year | | (101,003,581) | (218,574,656) |
| **Expenses of management** | | **258,763,065** | **255,256,664** |
| **Commission** | | **421,211,388** | **147,303,222** |
| **Profit/(Loss) transferred to Statement of Comprehensive Income** | | **(163,131,234)** | **140,628,204** |
| **Balance of account at the end of the year** | 5.00 | **230,788,930** | **181,931,597** |
| as shown in the Balance Sheet being reserve for unexpired risks @ 40% of premium income of the year | | | |
| **Total** | | **1,014,802,244** | **846,099,533** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** **Director**

Reliance Insurance PLC.

# Fire Insurance Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Balance of Account at the beginning of the year** | | **181,931,597** | **142,562,867** |
| **Premium less reinsurances** | | **576,972,324** | **454,828,993** |
| Premium underwritten | | 3,330,512,547 | 3,066,913,393 |
| Premium refunded | | (35,608,898) | (11,167,959) |
| Premium on PSB | | 31,159,031 | 26,143,602 |
| Reinsurance premium on PSB | | (29,948,649) | (24,820,877) |
| Reinsurance premium ceded | | (2,719,141,707) | (2,602,239,166) |
| **Commission on reinsurances** | | **255,898,323** | **248,707,672** |
| Commission earned on reinsurance ceded | | 260,679,395 | 246,028,017 |
| Profit commission | | (7,838,887) | - |
| Commission earned on PSB | | 3,057,815 | 2,679,655 |
| **Total** | | **1,014,802,244** | **846,099,532** |

**Director**

**Chief Executive Officer**

Signed for and on behalf of
**MABS & J Partners**
Chartered Accountants

**Nasir U Ahmed**, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)
**Additional Managing Partner**
ICAB Enrolment No.0535
**DVC: 2602260535AS175747**

Reliance Insurance PLC.

# Marine (Cargo & Hull) Insurance Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Claims under policies less reinsurances** | | **66,205,186** | **100,558,361** |
| Claims paid during the year | | 50,695,135 | 68,621,900 |
| Claims outstanding at the end of the year | | 238,284,156 | 222,774,105 |
| Claims outstanding at the end of the previous year | | (222,774,105) | (190,837,644) |
| **Expenses of management** | | **91,543,756** | **91,270,822** |
| **Commission** | | **72,842,672** | **106,940,817** |
| **Profit/(Loss) transferred to Statement of Comprehensive Income** | | **606,327,904** | **474,601,705** |
| **Balance of account at the end of the year** | 5.00 | **308,373,363** | **306,287,975** |
| as shown in the Balance Sheet being reserve for unexpired risks @ 40% of premium income of the year (Marine Cargo) | | 267,924,647 | 248,913,792 |
| as shown in the Balance Sheet being reserve for unexpired risks @ 100% of premium income of the year (Marine Hull) | | 40,448,716 | 57,374,183 |
| **Total** | | **1,145,292,881** | **1,079,659,680** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** **Director**

Reliance Insurance PLC.

# Marine (Cargo & Hull) Insurance Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Balance of Account at the beginning of the year** | | **306,287,975** | **282,528,788** |
| **Premium less reinsurances** | | **710,260,333** | **679,658,662** |
| Premium underwritten | | 1,150,942,113 | 1,086,433,140 |
| Premium refunded | | (669,134) | (2,875,830) |
| Premium on PSB | | 31,838,356 | 25,025,503 |
| Reinsurance premium on PSB | | (27,427,209) | (20,040,898) |
| Premium on reinsurance accepted | | - | - |
| Reinsurance premium ceded | | (444,423,793) | (408,883,253) |
| **Commission on reinsurances** | | **128,744,573** | **117,472,230** |
| Commission earned on reinsurance ceded | | 109,148,589 | 99,435,716 |
| Profit commission | | 14,366,164 | 14,291,104 |
| Commission earned on PSB | | 5,229,820 | 3,745,410 |
| **Total** | | **1,145,292,881** | **1,079,659,680** |

**Director** **Chief Executive Officer**

Signed for and on behalf of
**MABS & J Partners**
Chartered Accountants

**Nasir U Ahmed**, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)
**Additional Managing Partner**
ICAB Enrolment No.0535
**DVC: 2602260535AS175747**

Reliance Insurance PLC.

# Miscellaneous Insurance Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | 2025 | | | 2024 |
|---|---|---|---|---|---|
| | | Motor | Misc. | Total | Total |
| | | Taka | | | Taka |
| **Claims under policies less reinsurances** | | **16,764,690** | **4,605,588** | **21,370,278** | **78,162,701** |
| Claims paid during the year | | 18,836,920 | 32,407,352 | 51,244,272 | 57,302,856 |
| Claims outstanding at the end of the year | | 33,609,240 | 104,509,696 | 138,118,936 | 167,992,930 |
| Claims outstanding at the end of the previous year | | (35,681,470) | (132,311,460) | (167,992,930) | (147,133,085) |
| **Expenses of management** | | **10,146,079** | **60,407,126** | **70,553,205** | **77,451,566** |
| **Commission** | | **21,371,688** | **26,336,218** | **47,707,906** | **35,313,472** |
| **Profit/(Loss) transferred to Statement of Comprehensive Income** | | **75,370,679** | **182,564,804** | **257,935,482** | **182,556,330** |
| **Balance of account at the end of the year** as shown in the Balance Sheet being reserve for unexpired risks @ 40% of premium income of the year | 5.00 | 47,985,068 | 75,997,539 | 123,982,608 | 127,530,699 |
| **Total** | | **171,638,204** | **349,911,275** | **521,549,479** | **501,014,768** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** **Director**

Reliance Insurance PLC.

# Miscellaneous Insurance Revenue Account

for the year ended December 31, 2025

| Particulars | Notes | 2025 | | | 2024 |
|---|---|---|---|---|---|
| | | Motor | Misc. | Total | Total |
| | | Taka | | | Taka |
| **Balance of Account at the beginning of the year** | | **51,527,723** | **76,002,976** | **127,530,699** | **132,466,716** |
| **Premium less reinsurances** | | **119,962,671** | **189,993,848** | **309,956,519** | **318,826,747** |
| Premium underwritten | | 121,636,269 | 758,317,741 | 879,954,010 | 887,153,354 |
| Premium refunded | | (126,126) | (23,239,778) | (23,365,904) | (5,433,395) |
| Premium on PSB | | 1,849,950 | 43,767,326 | 45,617,276 | 49,832,429 |
| Reinsurance premium on PSB | | (101,038) | (41,618,372) | (41,719,410) | (46,038,921) |
| Premium on reinsurance accepted | | - | - | - | - |
| Reinsurance premium ceded | | (3,296,384) | (547,233,069) | (550,529,453) | (566,686,720) |
| **Commission on reinsurances** | | **147,810** | **83,914,451** | **84,062,261** | **49,721,305** |
| Commission earned on reinsurance ceded | | 147,810 | 77,464,724 | 77,612,534 | 42,800,970 |
| Profit commission | | - | 3,124,897 | 3,124,897 | 2,682,841 |
| Commission earned on PSB | | - | 3,324,830 | 3,324,830 | 4,237,494 |
| **Total** | | **171,638,204** | **349,911,275** | **521,549,479** | **501,014,768** |

**Director**

**Chief Executive Officer**

Signed for and on behalf of
**MABS & J Partners**
Chartered Accountants

**Nasir U Ahmed**, FCA, FCS, ACMA (UK), CGMA (AICPA), FCA (England & Wales)
**Additional Managing Partner**
ICAB Enrolment No.0535
**DVC: 2602260535AS175747**

Reliance Insurance PLC.

# Statement of Changes in Equity

for the year ended December 31, 2025

**(Amount in Taka)**

| Particulars | Share Capital | Revaluation Reserve | Fair Value Reserve | Exceptional Loss Reserve | General Reserve | Retained Earnings | Total |
|---|---|---|---|---|---|---|---|
| **Balance as on 01 January 2024** | **1,051,610,870** | **1,232,586,494** | **1,081,970,806** | **1,779,772,759** | **301,250,000** | **1,583,165,301** | **7,030,356,229** |
| Dividend (cash) for the year 2023 | - | - | - | - | - | (262,902,718) | (262,902,718) |
| Net profit after tax | - | - | - | - | - | 958,837,714 | 958,837,714 |
| Appropriation for the period | - | - | - | 145,331,440 | - | (145,331,440) | - |
| Transfer of excess depreciation | - | (1,719,745) | - | - | - | 1,719,745 | - |
| Changes in fair value | - | - | (409,402,447) | - | - | 1,475,457 | (407,926,990) |
| Transfer to general reserve | - | - | - | - | 100,000,000 | (100,000,000) | - |
| **Balance as on 31 December 2024** | **1,051,610,870** | **1,230,866,750** | **672,568,359** | **1,925,104,199** | **401,250,000** | **2,036,964,067** | **7,318,364,242** |
| | | | | | | | |
| **Balance as on 01 January 2025** | **1,051,610,870** | **1,230,866,750** | **672,568,359** | **1,925,104,199** | **401,250,000** | **2,036,964,067** | **7,318,364,242** |
| Dividend (cash) for the year 2024 | - | - | - | - | - | (315,483,261) | (315,483,261) |
| Net profit after tax | - | - | - | - | - | 885,246,850 | 885,246,850 |
| Appropriation for the period | - | - | - | 159,718,918 | - | (159,718,918) | - |
| Transfer of excess depreciation | - | (1,838,227) | - | - | - | 1,838,227 | - |
| Revaluation of Land & Building | - | 370,045,072 | - | - | - | - | 370,045,072 |
| Changes in fair value | - | - | 41,339,653 | - | - | 3,149,732 | 44,489,385 |
| Transfer to general reserve | - | - | - | - | 100,000,000 | (100,000,000) | - |
| **Balance as on 31 December 2025** | **1,051,610,870** | **1,599,073,596** | **713,908,012** | **2,084,823,117** | **501,250,000** | **2,351,996,697** | **8,302,662,290** |

The annexed notes 1 to 44 form an integral part of these financial statements

**Chairman** **Director** **Director** **Chief Executive Officer**

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

Reliance Insurance PLC.

# Statement of Cash Flows

for the year ended December 31, 2025

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **Cash flows from operating activities** | | | |
| Collection from premium & others | | 6,276,801,490 | 5,623,716,914 |
| Payment for management expenses, reinsurance, claim & others | | (4,717,859,879) | (4,722,334,674) |
| VAT paid to Government | | (483,531,229) | (397,921,511) |
| Income tax - paid and deducted at sources | | (355,876,490) | (329,140,272) |
| **Net cash generated from operating activities** | | **719,533,892** | **174,320,457** |
| **Cash flows from investing activities** | | | |
| Payment for acquisition of assets | | (102,334,436) | (19,798,208) |
| Payment for assets under construction | | - | (86,961,964) |
| Proceeds from disposal of fixed assets | | 1,371,502 | 1,350,138 |
| Increase/(Decrease) in investment-shares | | 20,936,920 | 10,568,098 |
| Dividend received | | 57,531,840 | 77,227,740 |
| Interest received | | 508,423,924 | 417,338,250 |
| Rent received | | 147,780,637 | 1,673,700 |
| Investment Bangladesh Govt Treasuary Bond | | (1,056,027,811) | (845,884,429) |
| Redemption LBSL Zero Coupon Bond | | - | 23,023,528 |
| **Net cash used in investing activities** | | **(422,317,425)** | **(421,463,146)** |
| **Cash flows from financing activities** | | | |
| Dividend paid | | (315,667,684) | (262,683,210) |
| **Net cash used in financing activities** | | **(315,667,684)** | **(262,683,210)** |
| **Net changes in cash & cash equivalents for the period** | | **(18,451,218)** | **(509,825,899)** |
| Cash and cash equivalents at the beginning of the year | | 3,615,776,390 | 4,125,602,289 |
| **Closing cash and cash equivalents at the end of the year** | | **3,597,325,172** | **3,615,776,390** |
| **Net operating cash flow per share (NOCFPS)** | **29.00** | **6.84** | **1.66** |

The annexed notes 1 to 44 form an integral part of these financial statements

Place: Dhaka, Bangladesh
**Dated: 26 FEB 2026**

**Chairman** | **Director** | **Director** | **Chief Executive Officer**

Reliance Insurance PLC.

# Classified Summary of Assets

as at December 31, 2025

**(Amount in Taka)**

| Particulars | Taka | |
|---|---|---|
| | 2025 | 2024 |
| **Non current assets:** | | |
| **Property, plant and equipment** | | |
| Land | 1,797,000,000 | 1,459,036,803 |
| Building | 1,150,276,504 | 295,743,698 |
| Furniture & fixtures | 81,079,634 | 11,413,312 |
| Office equipments & IT installation | 369,885,254 | 9,124,715 |
| Vehicles | 36,412,362 | 37,940,250 |
| Telephone installation | 819,322 | 49,181 |
| **Sub total** | **3,435,473,074** | **1,813,307,960** |
| **Assets under construction** | **-** | **1,193,576,597** |
| **Investments** | | |
| Bangladesh Govt. Treasury Bond (BGTB) | 2,880,641,620 | 1,824,613,809 |
| Shares of listed companies | 1,563,257,355 | 1,481,984,455 |
| Shares of unlisted companies | 1,569,450 | 1,569,450 |
| Mutual funds | 247,162,458 | 297,031,826 |
| **Sub total** | **4,692,630,884** | **3,605,199,540** |
| **Current assets** | | |
| Fixed deposits & SND accounts with bank | 3,595,085,970 | 3,603,884,260 |
| Cash in hand & Current account with bank | 2,239,201 | 11,892,130 |
| Premium control | 2,108,174 | 2,108,174 |
| Interest accrued & overdue | 11,619,430 | 10,473,919 |
| Interest accrued but not due | 217,768,845 | 168,338,815 |
| Sundry debtors | 2,092,432,861 | 2,402,282,991 |
| Stock of stationery & Spare parts | 2,055,643 | 893,841 |
| Stamps in hand | 5,691,868 | 5,146,365 |
| Amount due from other persons or bodies carrying on insurance business | 1,110,308,701 | 1,117,010,747 |
| **Sub total** | **7,039,310,695** | **7,322,031,243** |
| **Total assets** | **15,167,414,653** | **13,934,115,337** |

Place: Dhaka, Bangladesh
**Dated: 10 FEB 2025**

**Chairman** | **Director** | **Director** | **Chief Executive Officer**

## 1.00 General Information

### 1.01 Legal form of the Company

Reliance Insurance PLC. (earlier Reliance Insurance Limited) was incorporated as a public limited company in Bangladesh in 1988 under the Companies Act 1913 (currently Companies Act 1994). The company provides non-life insurance services in accordance with the Insurance Act 2010 and directives issued from time to time by the Insurance Development & Regulatory Authority (IDRA). Reliance Insurance PLC is listed with the Dhaka Stock Exchange and the Chittagong Stock Exchange. The company carries out its insurance business operations through twenty-one branches located across the country.

### 1.02 Principal activities and nature of operations

The principal activity of the company is to provide coverage for non-life insurance risks. There were no significant changes in the nature of the principal activities of the company during the year 2025.

### 1.03 Reporting period

The financial statements of the Company consistently cover one calendar year starting from 1st January to 31st December.

### 1.04 Date of financial statements authorized for issue

The financial statements of the company for the year ended December 31, 2025 were authorised for issue on February 26, 2026 inaccordance with a resoluation of the Board of Directors at its 291st meeting.

## 2.00 Summary of material accounting policy information

### 2.01 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and issued by the Financial Reporting Council (FRC), Insurance Act 2010, Companies Act 1994, Insurance Rules 1958 (to the extent applicable), relevant rules, regulations, and guidelines issued by the Insurance Development and Regulatory Authority (IDRA), Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh.

In the absence of prescribed financial statement formats issued by IDRA and FRC, the Company has, for practical purposes, prepared its statement of financial position (balance sheet) and revenue accounts in accordance with the schedules contained in the repealed Insurance Act 1938 (i.e., Form "A" for the balance sheet and Form "F" for revenue accounts), which remain the last recognized formats for non-life insurance financial statements.

The financial statements have been prepared on a historical cost basis, except for financial assets and contingent consideration, which are measured at fair value where applicable. Comparative information for the previous period is presented. The financial statements have been prepared on a going concern basis. Cash flows from operating activities are prepared using the direct method, as prescribed by the Securities and Exchange Rules 2020.

### 2.02 Premium recognition

Premium is generally recognized when insurance policies are issued. However, the Company's share of public sector insurance business (PSB) is accounted for in the year in which the statements of account are received from Sadharan Bima Corporation (SBC). As of 31 December 2025, statements of account for the period 1 July 2024 to 30 June 2025 have been received. Accordingly, the Company's share of PSB for that period has been recognized in these financial statements.

### 2.03 Accounting estimates

The preparation of financial statements requires Management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and underlying assumptions are based on historical experience and other factors considered reasonable under the circumstances. The results of these judgments form the basis for determining the carrying amounts of assets and liabilities that are not readily apparent from other sources. While Management believes that the amounts included in the financial statements represent the Company's best estimates, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, and any revisions are recognized in the period in which the estimates are revised.

Significant areas requiring the use of Management estimates in these financial statements include the useful lives of depreciable assets. However, based on current information, the assumptions and judgments made by Management in applying accounting policies are not expected to result in any material adjustment to the carrying amounts of assets and liabilities in the next financial year.

**2.04 Functional and presentation currency**

The financial statements are presented in Bangladeshi Taka which is the company's functional currency.

**2.05 Materiality and aggregation**

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

**2.06 Foreign currency transaction**

Transactions in foreign currencies are translated into Bangladeshi Taka (BDT) at the exchange rates prevailing at the dates of the transactions, in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates."

At the reporting date, foreign currency monetary assets and liabilities, if any, are translated into Bangladeshi Taka at the closing exchange rates prevailing on that date. Exchange differences arising on settlement or on translation of monetary items are recognized in profit or loss and presented in the statement of comprehensive income.

Insurance contracts underwritten in foreign currencies, if any, are translated into Bangladeshi Taka at the exchange rates prevailing at the date of underwriting, and the related premium revenue is recognized accordingly.

**2.07 Property, plant and equipment**

**2.07.01 Recognition and measurement**

Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the company and cost of the asset can be measured reliably. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating as intended by management, including the estimated cost of dismantling and removing the asset and restoring the site on which it is located.

Gains or losses arising on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the asset and are recognized in profit or loss. In the case of disposal of a revalued asset, the related revaluation surplus included in equity is transferred directly to retained earnings.

**2.07.02 Subsequent cost**

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the asset when it is probable that the future economic benefits associated with the component will flow to the company and the cost can be measured reliably. The carrying amount of the replaced component is derecognized.

**2.07.03 Revaluations**

Revaluations of freehold land and buildings are performed by qualified professional valuers. The frequency of revaluations depends on the movements in the fair values of the items of property, plant, and equipment being revalued. Any revaluation surplus arising on an asset is recognized in the net carrying amount of the asset and transferred to the revaluation reserve after restating the asset at its revalued amount. Revaluation gains are recognized in other comprehensive income (OCI) and revaluation losses are recognized in profit or loss unless a credit balance exists in the revaluation reserve for the same asset, in which case the loss is debited against the revaluation reserve to the extent of the available balance. An asset valuation on fair value assessment of Land, Building and Investment properties carried out as of December 31, 2025, by Hoque  BHattacharjee Das & Co., Chartered Accountants.

**2.07.04 Depreciation**

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary to operate in the manner intended by management. Depreciation ceases at the earlier of: (i) the date that the asset is classified as held for sale (or included in a disposal group classified as held for sale) in accordance with IFRS 5, or (ii) the date that the asset is derecognized. Asset category-wise depreciation rates are as follows:

| Item | Rate |
|---|---|
| Office buildings | 2.5% |
| Furniture & fixtures | 10% |
| Motor vehicles | 20% |
| Office & electrical equipments | 15% |
| Miscellaneous items | 20% |

**2.07.05 De-recognition**

An item of property, plant, and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from the de-recognition of the asset is recognized in the statement of comprehensive income in the year the asset is de-recognized.

**2.07.06 Impairment of assets**

The carrying amounts of the company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the statement of comprehensive income. Based on the current condition of the assets, management has concluded that no indications of impairment exist as at the reporting date.

**2.07.07 Leases**

IFRS 16 is applicable for the recognition and presentation of lease contracts. The company leases a number of office spaces across the country, including remote areas, to facilitate its insurance operations. Under IFRS 16, all lease contracts are recognized on the statement of financial position as a right-of-use asset and a lease liability, except for short-term leases and leases of low-value assets. The company has elected to apply these exemptions for its office rent agreements. Consequently, lease payments for these leases are recognized as expenses in the statement of comprehensive income under office rent.

**2.08 Financial instruments**

IFRS 9 sets out the requirements for the recognition and measurement of financial assets, financial liabilities, and certain contracts to buy or sell non-financial items. This standard replaces IAS 39 – Financial Instruments: Recognition and Measurement. The details of new significant accounting policies, along with the nature and effect of the changes compared to the previous accounting policies, are set out below.

**2.08.01 Classification and measurement of financial assets**

IFRS 9 largely retains the existing requirements of IAS 39 for financial assets previously classified as held to maturity, loans and receivables, and available-for-sale. The adoption of IFRS 9 has not had a significant effect on the company's accounting policies related to financial assets. Under IFRS 9, a single approach is used to determine whether a financial asset is measured at amortized cost or fair value, based on: (i) The entity's business model for managing the financial instruments, and (ii) The contractual cash flow characteristics of the financial assets. Gains and losses on financial assets measured at fair value are recognized either in profit or loss (FVTPL) or in other comprehensive income (FVTOCI), depending on the classification. All equity instruments are measured at FVTPL unless they are not held for trading and the entity has elected to measure them at FVTOCI. In such cases, gains and losses are recognized in OCI, except for dividend income, which is recognized in profit or loss unless it clearly represents a recovery of part of the cost of the investment.

**2.08.02 Equity investments at FVOCI**

These financial assets are subsequently measured at fair value. Dividends are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Unrealized gains and losses arising from changes in fair value are recognized in other comprehensive income (OCI) and are not reclassified to profit or loss.

**2.09 Employee benefits**

**2.09.01 Defined contribution plan**

The company operates a provident fund, which is recognized by the Income Tax Authorities. All confirmed employees of the company are eligible to participate in the fund. Employee contribution: 10% of basic salary; Employer contribution: Matching contribution of 10% of basic salary. The fund is wholly administered by a Board of Trustees, and no part of the fund is included in the company's assets.

### 2.09.02 Defined benefit plan

The company operates a funded gratuity scheme in accordance with IAS 19-Employee Benefits. The fund is approved by the National Board of Revenue (NBR), administered by the Board of Trustees, and is invested separately from the company's assets. Employees are entitled to benefits on a graduated scale based on length of service. For the purpose of gratuity, the length of service is calculated from the date of joining regular service with the company. The gratuity is calculated based on the last drawn basic salary, as follows: (i) One month's basic salary for each completed year of service if the employee has completed five years but less than ten years of continuous service; (ii) Two month's basic salary for each completed year of service if the employee has completed ten years or more of continuous service. Gratuity is payable only upon separation from the company. As per the actuarial valuation as at December 31, 2023, the Gratuity Fund shows a funding deficit of BDT 10.48 crores, with Past Service Liability amounting to BDT 20.20 crores against existing fund assets of BDT 9.72 crores. As per the recommendation of the Actuarial valuation report dated February 19, 2023, the company has been contributing Tk. 26.30 million per year for the next 5 (five) years since 2024, with a view to addressing the required funds. However, the next Actuarial valuation will be accomplished shortly.

### 2.09.03 Other benefits

In addition to the above, Reliance Insurance PLC. provides its employees with other benefits, including: Performance-Linked Variable Bonus (PLV), Group Life Scheme (GLS), Group Medical Benefits Plan, House Building Loan Scheme and Car/Motorcycle Loan Scheme. These benefits are provided subject to the fulfillment of certain terms and conditions.

## 2.10 Investment income recognition

### 2.10.01 Interest, dividend and rent

Income from bonds, bills, fixed deposits (FDRs), and rent is recognized on accrual basis. Income such as interest on STD/SND accounts, cash dividends on investments in shares, and other miscellaneous income is recognized when the amounts are credited to the company's account. For stock dividends received, the number of shares held by the company increases, and the average cost of investment is adjusted accordingly.

### 2.10.02 Other Income

Other income is recognized on accrual basis. Net gains and losses of a revenue nature arising on the disposal of property, plant, and equipment, other non-current assets, and investments are included in the statement of comprehensive income. These are measured as the proceeds from disposal less the carrying amount of the assets and any related selling expenses.

## 2.11 Expenses and taxes

### 2.11.01 Recognition of expenses

Expenses are recognized in the statement of comprehensive income based on the direct association between the costs incurred and the related income. All expenditure incurred during the normal course of business, including that required to maintain property, plant, and equipment in an efficient operating condition, has been fully charged to the statement of comprehensive income.

### 2.11.02 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset in accordance with IAS 23 – Borrowing Costs. Other borrowing costs are recognized as an expense in the statement of comprehensive income.

## 2.12 Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in the statement of comprehensive income in the period to which it relates, except for items recognized directly in other comprehensive income or equity, in which case the related tax effect is also recognized in other comprehensive income or equity, respectively.

### 2.12.01 Current tax

The current tax liability is based on the taxable profits for the year. Taxable profits differ from the profit reported in the statement of comprehensive income, as they exclude items of income or expenses that are either taxable or deductible in other years, or are never taxable or deductible. The company's liability for current tax is calculated using tax rates enacted under the Finance Act immediately preceding the balance sheet date. Provision for income tax has been made at the best estimate, in accordance with the Income Tax Ordinance 2025. The applicable rate of income tax for the company is 37.5%.

### 2.12.02 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases used in the computation of taxable profit. Deferred tax is accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that they arise from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax is generally charged or credited to the statement of comprehensive income for items other than those recognized in other comprehensive income (OCI). Deferred tax relating to items recognized directly in equity or OCI is also recognized directly in equity or OCI, respectively.

## 2.13 Reserve or contingencies accounts

### 2.13.01 Reserve for exceptional losses

The company sets aside 10% of the net premium income for the year from the balance of profit as a reserve for exceptional losses, in accordance with paragraph 6(2) of the Fourth Schedule of the Income Tax Act 2023. This reserve is intended to meet any exceptional losses that may arise during the year. Details of the calculation are provided in Note 4.01.

### 2.13.02 Revaluation reserve

The company revalues its property, plant, and equipment to reflect fair values. Any revaluation surplus arising on an asset is transferred to the revaluation reserve after restating the asset at its revalued amount. Revaluation losses are recognized in the statement of comprehensive income, except to the extent that a credit balance exists in the revaluation reserve for the same asset, in which case the loss is debited against the revaluation reserve. Depreciation on revalued assets is based on the revalued amount. The excess depreciation, i.e., the difference between depreciation on the revalued amount and depreciation on the original cost-is transferred, after adjusting for deferred tax, from the revaluation reserve to retained earnings.

### 2.13.03 General reserve

Taking into consideration of the company's financial requirements and the long-term interests of the shareholders, the Board of Directors recommends an amount, as it deems appropriate, to be transferred to the General Reserve from the after-tax profit of the year.

## 2.14 Segment reporting

In accordance with IFRS 8 Operating Segments, a business segment represents a distinguishable component of the Company that provides services and is exposed to risks and returns different from those of other segments. Segment reporting is prepared based on classes of business, and segment performance is assessed on the basis of underwriting results. The Company operates in four reportable segments: fire, marine, motor-cargo & hull, and miscellaneous.

## 2.15 Balance of fund

As per the Insurer's (Assets & Investment Maintenance) Regulations, 2019, company created a fund for un-expired risk @40% of net premium income on fire, marine cargo, motor and miscellaneous business and 100% on marine hull business in respect of future claims and expenses which may arise after closing of books.

## 2.16 Premium deposit

Premium deposit comprises of premium received against cover notes for which policies have not been issued during the year. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risks against marine cargo have not been assumed until shipment advices are provided and accordingly, policies are issued.

## 2.17 Amount due to other persons or bodies carrying on insurance business

Any amount is payable to foreign reinsurers, Sadharan Bima Corporation (SBC) and other private sector insurance companies in respect of reinsurance arrangement with them. It also comprises all the amount payable to local insurance companies under coinsurance premium.

## 2.18 Premium control

Premium control account is the outstanding premium only for policy in respect of motor and miscellaneous class of business as at reporting date under bank guarantee which will be subsequently received and adjusted.

**2.19 Sundry creditors**

Sundry creditors represent current liabilities and provisions that the company is obliged to pay in the normal course of business. This balance also includes the company's liability for current tax, which has been calculated using the tax rates applicable at the balance sheet date.

**2.20 Outstanding refundable premium**

These are amounts paid by a policyholder to the insurance company that cannot be applied to an active insurance policy because: (i) no policy or cover note was issued; (ii) the insurance contract was not actually started or accepted or (iii) the payment is essentially held temporarily and needs to be returned to the payer (beneficiary).

**2.21 Collection control account**

The Collection Control Account represents outstanding premiums for both policies and cover notes in respect of the fire, marine, and miscellaneous classes of business as at the reporting date. These amounts are covered under bank guarantees and will be subsequently received and adjusted.

**2.22 Earnings per share**

The company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Detailed computations have been shown in Note 27.

**2.23 Related party disclosure**

Reliance Insurance PLC. in the normal course of business, has carried out a number of transactions with entities that qualify as related parties under IAS 24: Related Party Disclosures. All transactions with related parties are conducted on an arm's length basis at commercial rates and on terms equivalent to those applicable to third parties. Details of related party transactions are provided in Note 31.

**2.24 Branch accounting**

Reliance Insurance PLC. has twenty one branches with no overseas branch as of December 31, 2025. Accounts of the branches are maintained at the head office from which these accounts are drawn up.

**2.25 Event after the reporting period**

**Proposed dividend**

The proposed dividend for the year has not been recognized as a liability in the statement of financial position in accordance with IAS 10: Events after the Reporting Period, as the dividend was proposed after the reporting date and approval by the shareholders had not been obtained at that date. Dividends payable to shareholders are recognized as a liability and deducted from equity in the period in which the shareholders' right to receive payment is established. In accordance with IAS 10 and IAS 1: Presentation of Financial Statements, dividends proposed after the reporting period but before the financial statements are authorised for issue are required to be disclosed in the notes to the financial statements. Accordingly, the proposed dividend has been disclosed in this note.

All other material events occurring after the reporting period have been considered and, where necessary, adjusted for or disclosed in Note 44.

**2.26 Status of compliance of international financial reporting standards (IFRSs) including IASs.**

In preparing financial statements, we applied following IASs and IFRSs:

| Name of the IFRS | IAS | Status of application |
|---|---|---|
| Presentation of Financial Statements | 1 | Applied |
| Inventories | 2 | Applied |
| Statement of Cash Flows | 7 | Applied |
| Accounting Policies, Changes in Accounting Estimates and Errors | 8 | Applied |
| Event after the Reporting Period | 10 | Applied |
| Income Taxes | 12 | Applied |
| Property, Plant & Equipment | 16 | Applied |
| Employee Benefits | 19 | Applied |
| Accounting for Govt. Grants and Disclosure of Govt. Assistance | 20 | N/A |
| The Effects of Changes in Foreign Exchange Rates | 21 | Applied |
| Borrowing Costs | 23 | N/A |
| Related Party Disclosures | 24 | Applied |

| Name of the IFRS | IAS | Status of application |
|---|---|---|
| Accounting and Reporting by Retirement Benefit Plans | 26 | N/A |
| Separate Financial Statements | 27 | N/A |
| Investment in Associates and Joint Ventures | 28 | N/A |
| Financial Reporting in Hyperinflationary Economies | 29 | N/A |
| Financial Instruments: Presentation | 32 | Applied |
| Earnings per Share | 33 | Applied |
| Interim Financial Reporting | 34 | Applied |
| Impairment of Assets | 36 | Applied |
| Provisions, Contingent Liabilities and Contingent Assets | 37 | Applied |
| Intangible Assets | 38 | Applied |
| Financial Instruments: Recognition & Measurement | 39 | N/A |
| Investment Property | 40 | Applied |
| Agriculture | 41 | N/A |

| Name of the IFRS | IFRS No. | Status of application |
|---|---|---|
| First time Adoption of IFRSs | 1 | N/A |
| Share-based Payment | 2 | N/A |
| Business Combinations | 3 | N/A |
| Insurance Contracts | 4 | Applied |
| Non-current Assets Held for Sale and Discontinued Operation | 5 | N/A |
| Exploration for and Evaluation of Mineral Resources | 6 | N/A |
| Financial Instruments: Disclosure | 7 | Applied |
| Operating Segments | 8 | Applied |
| Financial Instruments | 9 | Applied |
| Consolidated Financial Statements | 10 | Applied |
| Joint Arrangements | 11 | N/A |
| Disclosure of Interests in Other Entities | 12 | N/A |
| Fair Value Measurement | 13 | Applied |
| Regulatory Deferral Accounts | 14 | N/A |
| Revenue from Contracts with Customers | 15 | Applied |
| Leases | 16 | Applied |
| Insurance Contracts | 17 | Awaiting IDRA's instruction |

**2.27 Provisions**

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when it is virtually certain. If the effect of the time value of money is material, provisions are discounted.

**2.28 Financial risk management:**

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed on a regular basis to reflect changes in market conditions and the Company's activities.

## 2.29 IFRS-17: Insurance Contracts

The Financial Reporting Council (FRC) adopted IFRS-17: Insurance Contracts, to implement by the insurers in Bangladesh replacing the IFRS 4: Insurance Contracts, with a view to making insurers' financial statements more credible and acceptable to the users. Insurance Development & Regulatory Authority (IDRA) would prepare an action plan to implement this standard seeking cooperation of various stakeholders including ICAB, BIA and FRC. The FRC has urged IDRA to take necessary regulatory reforms so that the insurers can adopt much required IFRS 17: Insurance Contracts for its proper implementation. IDRA has been working on it with ICAB and arranged a number of seminars with the experts and the accountants of the insurers.

Reliance Insurance PLC. is always ready to implement IFRS-17 in the preparation of its financial statements as soon as it gets a clear guideline for application of the said standard.

## 2.30 IAS 40: Investment Property

During the year, the Company adopted IAS 40 – Investment Property for the first time following a reassessment of the use of certain land and buildings. Properties held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes, have been classified as investment property in accordance with IAS 40. Upon initial application of IAS 40, the identified properties were measured at fair value as determined by independent professionally qualified valuers having appropriate experience in the location and category of the properties being valued. The fair value was determined on the basis of prevailing market conditions at the date of reclassification. Any surplus arising on revaluation at the date of reclassification has been treated in accordance with applicable accounting standards, and the properties have thereafter been accounted for under the cost model as permitted by IAS 40. Subsequent to initial recognition, investment property is carried at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged using the straight-line method over the estimated useful lives of the respective assets. The useful lives and residual values are reviewed at each reporting date. Investment property is derecognised upon disposal or when permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on disposal is recognised in profit or loss in the period of disposal.

## 2.31 General:

The financial statements are prepared in Bangladeshi Taka (BDT), rounded off to the nearest taka. These are prepared on the historical cost basis and therefore, do not take into consideration the effect of inflation.

Previous year's figures have been rearranged, whenever necessary, to conform to current year's presentation.

## 3.00 Authorized, issued, subscribed and paid-up capital:

| Particulars | 2025 | | 2024 | |
|---|---|---|---|---|
| | % | Taka | % | Taka |
| **Authorized:** | | | | |
| 200,000,000 ordinary shares of Tk.10 each | | 2,000,000,000 | | 2,000,000,000 |
| **Issued, subscribed and paid-up capital:** | | | | |
| 6,000,000 ordinary shares of Tk. 10 each issued for cash | | 60,000,000 | | 60,000,000 |
| 99,161,087 ordinary shares of Tk. 10 each issued as bonus shares | | 991,610,870 | | 991,610,870 |
| **105,161,087 ordinary shares of Tk. 10 each fully paid-up** | | **1,051,610,870** | | **1,051,610,870** |
| **Total paid-up capital represents -** | | | | |
| **Group A—Sponsors:** | | | | |
| 51,946,153 ordinary shares of Tk.10 each fully paid in cash | 49.40 | 519,461,530 | 45.69 | 480,522,300 |
| **Group B—Others:** | | | | |
| 53,214,934 ordinary shares of Tk.10 each fully paid in cash | 50.60 | 532,149,340 | 54.31 | 571,088,570 |
| 1) Public Shareholders-Derectors | 18.55 | 195,061,940 | 18.55 | 195,061,940 |
| 2) Public Shareholders-General | 26.86 | 282,479,200 | 30.62 | 321,987,030 |
| 3) Employees | 0.02 | 171,610 | 0.02 | 200,160 |
| 4) Bank, ICB's & Insurance companies | 4.30 | 45,183,500 | 4.50 | 47,317,850 |
| 5) ICB Investors' accounts | 0.88 | 9,253,090 | 0.62 | 6,521,590 |
| **Total** | **100.00** | **1,051,610,870** | **100.00** | **1,051,610,870** |

**Classification of shareholders' by holding**

The distribution schedule of shareholdings as on December 31, 2025 was as under:

| Holdings | Number of Holders | | Total Holding % | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| **Group-A** | | | | |
| 100,000-4,000,000 | 13 | 13 | 23.52 | 23.52 |
| 4,000,001-8,000,000 | 4 | 4 | 22.18 | 22.18 |
| **Group-B** | | | | |
| 1-5,000 | 1952 | 2324 | 1.92 | 2.41 |
| 5,001-10,000 | 216 | 259 | 1.55 | 1.86 |
| 10,001-50,000 | 174 | 212 | 3.79 | 4.49 |
| 50,001-100,000 | 26 | 23 | 1.94 | 1.65 |
| 100,001-300,000 | 30 | 32 | 4.29 | 4.73 |
| 300,001-600,000 | 14 | 12 | 5.68 | 4.70 |
| 600,001-8,000,000 | 17 | 16 | 35.13 | 34.47 |
| **Total** | **2446** | **2895** | **100** | **100** |

Break up of share issued since inception

| Year | As per MOA& AOA | Initial Public Offer (IPO) | Bonus | Right | Total |
|---|---|---|---|---|---|
| 1988 | 3,000,000 | | | | 3,000,000 |
| 1995 | | 3,000,000 | | | 3,000,000 |
| 2003 | | | 3,000,000 | | 3,000,000 |
| 2004 | | | 3,000,000 | | 3,000,000 |
| 2005 | | | 3,000,000 | | 3,000,000 |
| 2007 | | | 3,000,000 | | 3,000,000 |
| **Year** | **As per MOA& AOA** | **Initial Public Offer (IPO)** | **Bonus** | **Right** | **Total** |
| 2008 | | | 5,400,000 | | 5,400,000 |
| 2009 | | | 7,020,000 | | 7,020,000 |
| 2010 | | | 10,647,000 | | 10,647,000 |
| 2011 | | | 6,160,050 | | 6,160,050 |
| 2012 | | | 4,722,705 | | 4,722,705 |
| 2013 | | | 7,792,463 | | 7,792,463 |
| 2014 | | | 8,961,332 | | 8,961,332 |
| 2015 | | | 10,305,532 | | 10,305,532 |
| 2016 | | | 7,900,908 | | 7,900,908 |
| 2017 | | | 8,690,999 | | 8,690,999 |
| 2018 | | | 9,560,099 | | 9,560,099 |
| **Total** | **3,000,000** | **3,000,000** | **99,161,087** | **-** | **105,161,087** |

| | Particulars | Notes | Taka | |
|---|---|---|---|---|
| | | | 2025 | 2024 |
| **4.00** | **Reserves & Surplus** | | | |
| | Reserve for exceptional losses | 4.01 | 2,084,823,115 | 1,925,104,197 |
| | Retained earnings | 4.02 | 2,351,996,697 | 2,036,964,067 |
| | General reserve | 4.04 | 501,250,000 | 401,250,000 |
| | Revaluation reserve | 4.03 | 1,599,073,596 | 1,230,866,750 |
| | Fair value reserve | | 713,908,012 | 672,568,359 |
| | **Total** | | **7,251,051,420** | **6,266,753,372** |
| **4.01** | **Reserve for exceptional losses** | | | |
| | Opening balance | | 1,925,104,197 | 1,779,772,757 |
| | Add: Provision for the year | | 159,718,918 | 145,331,440 |
| | **Closing balance** | | **2,084,823,115** | **1,925,104,197** |

The class wise summary of reserve for exceptional loss provision is as follows:

| Particulars | Fire | Marine | Miscellaneous | 2025 | 2024 |
|---|---|---|---|---|---|
| **Gross premium** | **3,326,062,680** | **1,182,111,335** | **902,205,382** | **5,410,379,397** | **5,122,024,237** |
| Add: Reinsurance premium acceptance | - | - | - | - | - |
| Less: Reinsurance premium on ceded | 2,719,141,707) | (444,423,793) | (550,529,453) | (3,714,094,953) | (3,577,809,139) |
| Less: Reinsurance premium on PSB | **(29,948,649)** | **(27,427,209)** | **(41,719,410)** | **(99,095,268)** | **(90,900,696)** |
| **Net premium** | **576,972,324** | **710,260,333** | **309,956,519** | **1,597,189,176** | **1,453,314,402** |
| Rate of provision | 10% | 10% | 10% | 10% | 10% |
| Reserve for exceptional loss provision | **57,697,232** | **71,026,033** | **30,995,652** | **159,718,918** | **145,331,440** |

| | | | |
|---|---|---|---|
| **4.02** | **Retained earnings** | | |
| | **Opening balance** | **2,036,964,067** | **1,583,165,308** |
| | Dividend for the year (Cash) | (315,483,261) | (262,902,718) |
| | Net profit after tax | 885,246,850 | 958,837,714 |
| | Reserve for exceptional losses | (159,718,918) | (145,331,440) |
| | | **2,447,008,739** | **2,133,768,865** |
| | Transfer of excess depreciation | 1,838,227 | 1,719,745 |
| | Transfer to general reserve | (100,000,000) | (100,000,000) |
| | | **2,348,846,965** | **2,035,488,610** |
| | Transfer from fair value reserve (Gain on sale of share) | 3,149,732 | 1,475,457 |
| | **Closing balance** | **2,351,996,697** | **2,036,964,067** |
| **4.03** | **Revaluation reserve (Land & Building)** | | |
| | Opening balance | 1,230,866,750 | 1,232,586,495 |
| | Add: Addition due to revaluation | 450,581,057 | - |
| | Less: Deferred tax on Building revaluation | (80,535,985) | - |
| | Less: Transfer of excess depreciation | (1,838,227) | (1,719,745) |
| | **Closing balance** | **1,599,073,595** | **1,230,866,750** |
| **4.04** | **General reserve** | | |
| | Opening balance | 401,250,000 | 301,250,000 |
| | Add: Transfer from retained earnings | 100,000,000 | 100,000,000 |
| | **Closing balance** | **501,250,000** | **401,250,000** |

## 5.00 Balance of funds and accounts

**Balance of fund and account consist as follows:**

| | | |
|---|---|---|
| **Business** | | |
| Fire insurance | 230,788,929 | 181,931,598 |
| Marine insurance | 308,373,363 | 306,287,974 |
| Motor & Misc. insurance | 123,982,607 | 127,530,699 |
| **Total** | **663,144,899** | **615,750,271** |

## 6.00 Premium deposit

The below mentioned amount includes premium received against cover notes for which policies have not been issued within December 31, 2025. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risks against marine cargo have not been assumed until shipment advices are provided and accordingly, policies are issued.

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| **The class wise summary of the premium deposit is as follows:** | | | |
| **Marine cargo insurance** | | | |
| Opening Balance | | 1,456,165,893 | 1,313,558,654 |
| Add: during the period | | 815,453,741 | 916,900,630 |
| Less: during the period | | (843,635,381) | (774,293,392) |
| Closing Balance | | **1,427,984,251** | **1,456,165,893** |
| **Fire insurance** | | | |
| Opening Balance | | - | - |
| Add: during the period | | 90,548,925 | - |
| Closing Balance | | **90,548,925** | **-** |
| **Miscellaneous insurance** | | | |
| Opening Balance | | - | - |
| Add: during the period | | 47,625,838 | - |
| Closing Balance | | **47,625,838** | **-** |
| **Total** | | **1,566,159,014** | **1,456,165,893** |
| **7.00 Estimated liability in respect of outstanding claims whether due or intimated** | | | |
| Fire | | 270,931,751 | 101,003,581 |
| Marine cargo | | 233,854,433 | 198,528,834 |
| Marine hull | | 4,429,724 | 24,245,271 |
| Motor | | 33,609,240 | 35,681,470 |
| Miscellaneous | | 104,509,696 | 132,311,460 |
| **Total** | | **647,334,844** | **491,770,616** |

All the claims against which the Company received intimations within December 31, 2025 have been taken into consideration while estimating the liability in respect of outstanding claims.

| | | | |
|---|---|---|---|
| **8.00** | **Amount due to other persons or bodies carrying on insurance business** | | |
| | Co-insurance premium payable | 13,081,822 | 3,600,749 |
| | Co-insurance salvage payable | 88,418 | 88,418 |
| | Green Delta Insurance PLC for reinsurance ceded | - | 11,706,612 |
| | Reinsurance creditors/Payable | 286,648,773 | 424,711,549 |
| | Reinsurance creditors/Payable - SBC | 384,906,808 | 323,222,169 |
| | Port folio premium withdrawal/transfer (Cedence) | - | 695,099 |
| | Port folio loss withdrawal/transfer (Cedence) | - | 4,580 |
| | **Total** | **684,725,821** | **764,029,176** |

The Company's share of public sector insurance business (PSB) is accounted for in the year in which the statements of account are received from Sadharan Bima Corporation (SBC). As of 31 December 2025, statements of account for the period 1 July 2024 to 30 June 2025 have been received. Accordingly, the Company's share of PSB for that period has been recognized in these financial statements. This has been consistently followed.

| | | | |
|---|---|---|---|
| **9.00** | **Outstanding Refundable Premium** | | |
| | Fire | 721,723 | 708,202 |
| | Marine cargo | 20,861 | 17,976 |
| | **Total** | **742,584** | **726,178** |
| **10.00** | **Sundry creditors** | | |
| | Audit fee payable | 2,396,585 | 2,772,585 |
| | Agent commission payable | - | 78,885,331 |
| | Premium received in advance | 320,057,031 | 127,105,925 |
| | Bills payable | 46,874,383 | 47,621,003 |

| | Particulars | Notes | Taka | |
|---|---|---|---|---|
| | | | 2025 | 2024 |
| | Tax payable on miscellaneous items | | 18,446,199 | 2,859,266 |
| | VAT payable on money receipt | | 42,680,534 | 23,395,765 |
| | VAT payable on miscellaneous items | | 3,736,697 | 2,223,597 |
| | VAT Payable on Premium O/S | | - | 316,221 |
| | Insurance stamps on deposit premium | | 102,634,446 | 101,906,349 |
| | Current tax liabilities | 10.01 | 2,085,457,416 | 2,419,687,131 |
| | Employees' income tax | | 2,117,352 | 2,604,625 |
| | (Short)/excess collection of premium | | 455,279 | 492,106 |
| | Security deposit | | 85,695,482 | 81,997,149 |
| | Advance received aganst office rent | | 113,057,280 | - |
| | Liability for stamp purchase | | 3,553,388 | 6,524,263 |
| | **Total** | | **2,827,162,072** | **2,898,391,316** |
| **10.01** | **Current tax liabilities** | | | |
| | Opening balance | | 2,419,687,131 | 1,973,309,010 |
| | Add: Provision made during the year | | 424,782,380 | 446,117,746 |
| | Add: Provision made for gain on sale of share | | 555,835 | 260,375 |
| | Add: Charged for the assessment year 2021-2022 | | 8,658,853 | - |
| | Add: Charged for the assessment year 2022-2023 | | 7,948,754 | |
| | Add: Charged for the assessment year 2023-2024 | | 5,075,533 | |
| | Less: Adjustment made during the year | | (781,251,070) | - |
| | **Closing balance** | | **2,085,457,416** | **2,419,687,131** |
| **11.0** | **Deferred tax liabilities** | | | |
| | Opening balance | | 384,880,761 | 422,324,879 |
| | Add/(Less) : Provided for the year | | 86,749,908 | (2,087,919) |
| | Add/(Less) : Provision made in previous years | | - | (35,356,199) |
| | **Closing balance** | | **471,630,669** | **384,880,761** |
| **i.** | **Assets without revaluation carrying amount** | | | |
| | Accounting base | | 1,425,262,710 | 246,959,044 |
| | Tax base | | 1,406,544,296 | 228,039,941 |
| | | | 18,718,414 | 18,919,103 |
| | Tax rate | | 37.50% | 37.50% |
| | Closing deferred tax liability | | 7,019,405 | 7,094,664 |
| | Opening deferred tax liability | | 7,094,664 | 6,620,291 |
| | **Deferred tax expense/(income)** | | **(75,259)** | **474,373** |
| | Deferred tax on interest receivable has not been provided for the year, as tax on interest income has been accounted for under current tax. | | | |
| **ii.** | **Assets carrying amount - Building** | | | |
| | Accounting base | | 104,629,308 | 107,312,111 |
| | Tax base | | - | - |
| | | | 104,629,308 | 107,312,111 |
| | Tax rate | | 37.50% | 37.50% |
| | Closing deferred tax liability | | 39,235,991 | 40,242,042 |
| | Opening deferred tax liability | | 40,242,042 | 41,273,889 |
| | **Deferred tax expense/(income)** | | **(1,006,051)** | **(1,031,847)** |

| | Particulars | Notes | Taka | |
|---|---|---|---|---|
| | | | 2025 | 2024 |
| iii. | **Revalued assets carrying amount - Building** | | | |
| | Accounting base | | 108,581,057 | - |
| | Tax base | | - | - |
| | | | 108,581,057 | - |
| | Tax rate | | 37.50% | 37.50% |
| | Closing deferred tax liability | | 40,717,896 | - |
| | Opening deferred tax liability | | - | - |
| | **Deferred tax expense/(income)** | | **40,717,896** | **-** |
| iv. | **Assets carrying amount - Land** | | | |
| | Accounting base | | 1,455,000,000 | 1,459,036,803 |
| | Tax base | | 72,509,274 | - |
| | | | 1,382,490,726 | 1,459,036,803 |
| | Tax rate | | 15% | 15% |
| | Closing deferred tax liability | | 207,373,609 | 218,855,520 |
| | Opening deferred tax liability | | 218,855,520 | 218,855,520 |
| | **Deferred tax expense/(income)** | | **(11,481,912)** | **-** |
| v) | **Revalued assets carrying amount - Land** | | | |
| | Accounting base | | 342,000,000 | - |
| | Tax base | | - | - |
| | | | 342,000,000 | - |
| | Tax rate | | 15% | 15% |
| | Closing deferred tax liability | | 51,300,000 | - |
| | Opening deferred tax liability | | - | - |
| | **Deferred tax expense/(income)** | | **51,300,000** | **-** |
| vi) | **Unrealized gain and loss of marketable securities** | | | |
| | Accounting base | | 839,891,780 | 791,256,894 |
| | Tax Base | | - | - |
| | | | 839,891,780 | 791,256,894 |
| | Tax rate | | 15.00% | 15.00% |
| | Closing deferred tax liability | | 125,983,768 | 118,688,535 |
| | Opening deferred tax liability | | 118,688,535 | 120,218,979 |
| | **Deferred tax expense/(income)** | | **7,295,233** | **(1,530,444)** |
| **12.00** | **Property, plant and equipment** | | | |
| | **Cost:** | | | |
| | Balance at the beginning of the year | | 2,116,817,265 | 2,120,448,857 |
| | Addition during the year | | 1,289,721,927 | 19,222,352 |
| | Revaluation | | 450,581,057 | |
| | Sales/adjustment during the year | | (158,594,482) | (22,853,944) |
| | **Balance at the year end** | | **3,698,525,767** | **2,116,817,265** |
| | **Accumulated Depreciation:** | | | |
| | Balance at the beginning of the year | | 303,509,307 | 298,338,353 |
| | Addition during the year | | 117,997,441 | 28,000,844 |
| | Sales/adjustment during the year | | (158,454,055) | (22,829,890) |
| | **Balance at the year end** | | **263,052,693** | **303,509,307** |
| | **Carrying amount** | | **3,435,473,074** | **1,813,307,958** |
| | Transfer to Investment Property | | 721,990,623 | - |
| | **Balance at the year end** | | **2,713,482,451** | **1,813,307,958** |

A detailed schedule of Property, plant, and equipment is provided in Annexure-A

| | Particulars | Notes | Taka | |
|---|---|---|---|---|
| | | | 2025 | 2024 |
| 12.01 | **Investment property** | | | |
| | **Cost:** | | | |
| | Balance at the beginning of the year | | - | - |
| | Transfer from Property, plant & euipments | | 721,990,623 | - |
| | Sales/adjustment during the year | | - | - |
| | **Balance at the year end** | | **721,990,623** | **-** |
| | **Accumulated Depreciation:** | | | |
| | Balance at the beginning of the year | | - | - |
| | Addition during the year | | - | - |
| | Sales/adjustment during the year | | - | - |
| | **Balance at the year end** | | - | - |
| | **Carrying amount** | | **721,990,623** | **-** |
| 13.00 | **Assets under construction** | | | |
| | Balance at the beginning of the year | | 1,193,576,597 | 1,106,614,633 |
| | Addition during the year | | - | 86,961,964 |
| | Less adujted during the year | | (1,193,576,597) | - |
| | **Balance at the year end** | | **-** | **1,193,576,597** |

**13.01 Current status of Reliance Insurance Tower**

The construction of the building has been fully completed, and the Corporate Office and Local Office of Reliance Insurance PLC were relocated to the Reliance Insurance Tower on 1 January 2025, occupying the top five floors. Of the remaining eight floors, six floors have been rented out to M/s. Jamuna Bank PLC with effect from May 2025.

| | | | | |
|---|---|---|---|---|
| 14.00 | **Investments** | | | |
| | Investment at amortized cost | 14.01 | 2,880,641,620 | 1,824,613,809 |
| | Fare value through other comprehensive income | 14.02 | 1,811,989,263 | 1,780,585,731 |
| | | | **4,692,630,884** | **3,605,199,540** |

**14.01 Investment at amortized cost**

Investments with fixed maturities that the management intends and is able to hold to maturity are classified as held-to-maturity. During the year 2025, the Company held the following investments:

| | | |
|---|---|---|
| Bangladesh Govt. Treasury Bond (5 & 10 yrs) | 2,880,641,620 | 1,824,613,809 |
| | **2,880,641,620** | **1,824,613,809** |

**14.02 Fair value through other comprehensive income**

Fair value through other comprehensive income (FVOCI) investments are non-derivative financial assets that are either designated as available-for-sale or do not fall into any other classification. These investments are typically intended to be held for an indefinite period or may be sold in response to liquidity needs. The Company applies trade date accounting for the regular way purchases and sales of investments. As of 31 December 2025, the Company designated the following shares as FVOCI. Details are as follows:

| Sl. No. | No. of Shares as on 31-Dec' 2025 | Value at cost as on 31-Dec' 2025 | Fair market value as on 31-Dec' 2025 | Name of the Company | No. of Shares as on 31-Dec' 2024 | Value at cost as on 31-Dec' 2024 | Fair market value as on 31-Dec' 2024 |
|---|---|---|---|---|---|---|---|
| **Unquoted share:** | | | | | | | |
| 1 | 571,181 | 1,569,450 | 1,569,450 | Central Depository BD Ltd. (CDBL) | 571,181 | 1,569,450 | 1,569,450 |
| **Quoted share:** | | | | | | | |
| 1 | 50,000 | 3,811,400 | 895,000 | Amranet | 50,000 | 3,811,400 | 1,340,000 |
| 2 | 26,082 | 7,191,284 | 5,836,832 | ACI Ltd. | 26,082 | 7,191,284 | 4,187,162 |
| 3 | 93,000 | 10,462,210 | 6,593,700 | ACME Laboratories Ltd. | 93,000 | 10,462,210 | 6,984,300 |
| 4 | 53,000 | 1,581,997 | 358,450 | Baraka power Ltd. | 53,000 | 1,581,997 | 524,300 |
| 5 | 4,000 | 4,990,603 | 3,216,400 | BATA Shoe | 4,000 | 4,990,603 | 3,621,600 |
| 6 | 25,000 | 13,469,773 | 6,215,000 | BATBC | 25,000 | 13,469,773 | 9,190,000 |
| 7 | 108,055 | 7,809,115 | 1,642,436 | BBS Cables Ltd. | 108,055 | 7,809,115 | 1,890,963 |
| 8 | 73,500 | 9,784,265 | 8,092,350 | Beximco Ltd. | 73,500 | 9,784,265 | 8,092,350 |
| 9 | - | - | - | BRAC Bank Ltd. | 360,000 | 17,231,354 | 17,640,000 |
| 10 | 176,000 | 15,338,343 | 11,105,600 | BSRM Steel Ltd. | 176,000 | 15,338,343 | 8,940,800 |
| 11 | 410,963 | 10,432,713 | 10,027,497 | City Bank Ltd. | 365,301 | 10,432,713 | 8,182,742 |
| 12 | 13,311 | 1,491,311 | 654,901 | Confidence Cement Ltd. | 13,311 | 1,491,311 | 754,734 |
| 13 | 100,000 | 4,208,588 | 2,050,000 | DESCO | 100,000 | 4,208,588 | 2,310,000 |
| 14 | 403,704 | 4,694,000 | 5,690,208 | Ekush 1st Unit | 403,704 | 4,694,000 | 5,136,326 |
| 15 | 250,000 | 2,500,000 | 2,962,250 | Ekush Growth Fund | 250,000 | 2,500,000 | 2,675,500 |
| 16 | 41,781 | 1,880,145 | 848,154 | Esquire Knit & Composite Ltd. | 41,781 | 1,880,145 | 814,730 |
| 17 | 77,542 | 3,847,632 | 1,240,672 | GPS Ispat Ltd. | 77,542 | 3,847,632 | 1,713,678 |
| 18 | 5,000,000 | 50,000,000 | 49,750,000 | Grameen Bank AIMS MF | 5,000,000 | 50,000,000 | 50,850,000 |
| 19 | 47,101 | 16,560,484 | 12,147,347 | GrameenPhone Ltd. | 47,101 | 16,560,484 | 15,218,333 |
| 20 | 80,718 | 9,421,416 | 2,921,992 | ICB | 80,718 | 9,421,416 | 4,972,229 |
| 21 | 30,553,835 | 262,719,780 | 1,090,771,910 | IDLC Finance PLC. | 29,098,891 | 262,719,780 | 951,533,736 |
| 22 | 44,350 | 3,886,517 | 957,960 | Ifad Autos Ltd. | 44,350 | 3,886,517 | 913,610 |
| 23 | 310,000 | 33,861,916 | 14,477,000 | Lafarge Holcim Bd Ltd. | 310,000 | 33,861,916 | 16,709,000 |
| 24 | 417,125 | 13,534,695 | 5,130,638 | LankaBangla Finance Ltd. | 417,125 | 13,534,695 | 7,758,525 |
| 25 | 3,000 | 4,163,271 | 2,250,300 | Linde BD Ltd. | 3,000 | 4,163,271 | 3,058,500 |
| 26 | 146,000 | 35,596,953 | 28,090,400 | Meghna Petrolium | 146,000 | 35,596,953 | 28,659,800 |
| 27 | 188,511 | 21,421,661 | 17,060,246 | MJL BD Ltd. | 188,511 | 21,421,661 | 17,738,885 |
| 28 | 46,118 | 985,279 | 567,251 | MTBL | 41,926 | 985,279 | 515,690 |
| 29 | 6,199,186 | 41,148,560 | 139,481,685 | National Housing Finance & Inv PLC. | 5,635,624 | 41,148,560 | 149,907,598 |
| 30 | 136,000 | 37,049,160 | 18,686,400 | Olympic Industries Ltd. | 136,000 | 37,049,160 | 21,488,000 |
| 31 | 99,900 | 30,677,798 | 16,803,180 | Padma Oil | 99,900 | 30,677,798 | 18,851,130 |
| 32 | 50,000 | 3,514,668 | 1,335,000 | Power Grid BD Ltd. | 50,000 | 3,514,668 | 2,090,000 |
| 33 | 322,395 | 11,470,236 | 9,962,006 | Pubali Bank Ltd. | 286,574 | 11,470,236 | 8,396,618 |
| 34 | 165,322 | 8,872,867 | 3,620,552 | RAK Ceramics Ltd. | 165,322 | 8,872,867 | 3,736,277 |
| 35 | 12,100,000 | 110,000,000 | 188,760,000 | RI Mutual Fund:Scheme One | 12,100,000 | 110,000,000 | 238,370,000 |
| 36 | 165,000 | 8,569,593 | 4,653,000 | Robi Axiata Ltd. | 165,000 | 8,569,593 | 4,669,500 |
| 37 | 106,000 | 3,856,535 | 519,400 | Saif Power Ltd. | 106,000 | 3,856,535 | 1,399,200 |
| 38 | 10,100 | 96,154 | 61,610 | SBAC Bank Ltd. | 10,100 | 96,154 | 76,760 |
| 39 | 20,000 | 3,610,644 | 1,690,000 | Singer BD Ltd. | 20,000 | 3,610,644 | 2,264,000 |
| 40 | 697,009 | 14,436,375 | 6,273,081 | Southeast Bank Ltd. | 697,009 | 14,436,375 | 6,273,081 |
| 41 | 638,781 | 140,580,094 | 126,861,907 | Square Pharmaceuticals Ltd. | 638,781 | 140,580,094 | 139,062,624 |
| 42 | 105,000 | 1,000,000 | 157,500 | Union Bank Ltd. | 105,000 | 1,000,000 | 504,000 |
| **Total** | | **972,097,483** | **1,811,989,263** | | | **989,328,837** | **1,780,585,731** |

* Investment in shares that do not have any quoted market price in the active market and whose fair value cannot be measured reliably, were recognized at cost.

| | Particulars | Notes | Taka | |
|---|---|---|---|---|
| | | | 2025 | 2024 |
| 14.03 | **Changes in fair value** | | | |
| | Fair value of the investment | | 1,811,989,263 | 1,780,585,731 |
| | Less: Cost price of the investment | | (972,097,483) | (989,328,837) |
| | **Fair value reserve at 31 December** | | **839,891,780** | **791,256,894** |
| | Less: Fair value reserve at 1st January | | (672,568,359) | (1,081,970,806) |
| | Less: Adjustment for deferred tax | 11.00 | (118,688,534) | (120,218,979) |
| | **Fair value adjustment for the year** | | **48,634,886** | **(410,932,891)** |
| 15.00 | **Stock of stamps and others** | | | |
| | Insurance stamps | | 5,691,868 | 5,146,365 |
| | Stock of spare parts | | 986,425 | - |
| | Stock of stationery | | 1,069,218 | 893,841 |
| | **Total** | | **7,747,512** | **6,040,206** |
| 16.00 | **Advances, deposits and prepayments :** | | | |
| | Advance to supplier | | 15,147,181 | 5,936,120 |
| | Security deposit | | 4,045,432 | 4,138,120 |
| | Advance against expenses, rent, salary etc. | | 19,778,948 | 18,684,105 |
| | Advance against tax | | 1,810,891,928 | 2,124,704,183 |
| | Advance commission against cover notes | | 175,843,173 | 89,540,975 |
| | IDLC & BRAC EPL stock brokerage Ltd. | | 464,114 | 17,531,853 |
| | **Collection control:** | | **66,262,085** | **141,747,635** |
| | For premium on policies | | 13,187,723 | 24,237,293 |
| | For premium on cover notes | | 53,074,362 | 117,510,342 |
| | **Total** | | **2,092,432,861** | **2,402,282,991** |

Out of the total amount of collection control account Tk. 66.26 million mentioned above, Tk. 17.91 million was realized within February 19, 2026. On the other hand out of total receivable, Tk. 0.46 million was lying with IDLC and Brac EPL Stock Brokarge Ltd. against sale of shares at the reporting date.

| | | | | |
|---|---|---|---|---|
| 17.00 | **Premium Control** | | | |
| | Motor | | 1,737,944 | 1,737,944 |
| | Miscellaneous | | 370,230 | 370,230 |
| | **Total** | | **2,108,174** | **2,108,174** |
| 18.00 | **Interest and dividend receivable account** | | | |
| | **Accrued and overdue:** | | **11,619,430** | **10,473,919** |
| | Fixed Deposits | | 45,678 | - |
| | Dividend | | 11,573,752 | 10,473,919 |
| | **Accrued but not due:** | | **217,768,845** | **168,338,815** |
| | BD Govt. Treasury Bond | | 53,850,193 | 35,483,563 |
| | Fixed Deposits | | 163,918,652 | 132,855,252 |
| | **Total** | | **229,388,275** | **178,812,734** |
| 19.00 | **Amount due from other persons or bodies carrying on insurance business:** | | | |
| | Sundry co-insurance claims recoverable | | 408,380 | 468,903 |
| | Co-insurance premium recoverable (including refund) | | 51,606,956 | 57,620,356 |
| | Premium receivable on SBC (PSB Account) | | (3,118) | (3,118) |
| | Reinsurance receivable SBC | | 913,874,646 | 913,874,646 |
| | Re-insurance Premium Receivable | | **144,421,837** | **145,049,960** |
| | For reinsurance acceptance with SBC | | 132,152,224 | 121,073,735 |
| | For reinsurance acceptance with GDIL | | 12,269,613 | 23,976,225 |
| | **Total** | | **1,110,308,701** | **1,117,010,747** |

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |

The Company's share of public sector insurance business (PSB) is accounted for in the year in which the statements of account are received from Sadharan Bima Corporation (SBC). As of 31 December 2025, statements of account for the period 1 July 2024 to 30 June 2025 have been received. Accordingly, the Company's share of PSB for that period has been recognized in these financial statements. This has been consistently followed.

| | | | |
|---|---|---|---|
| **20.00** | **Cash at bank** | | |
| | SND accounts (20.01) | 401,538,699 | 259,184,260 |
| | Current accounts (20.02) | 2,188,824 | 11,770,585 |
| | **Total** | **403,727,523** | **270,954,845** |
| **20.01** | **SND bank accounts** | | |
| | Standard Chartered Bank-Gulshan Branch- SND 02 3642143 01 | 73,595,586 | 53,464,157 |
| | Bank Asia PLC-Tejgaon Link Road Branch-SND 05636000001 | 123,876,330 | 74,323,430 |
| | BRAC Bank PLC-Gulshan Branch- SND 1501102294148001 | 113,317,801 | 15,798,889 |
| | Bank Asia PLC-Tejgaon Link Road Branch- SND 05636000054 | 4,808,807 | 4,895,465 |
| | Bank Asia PLC-Tejgaon Link Road Branch- SND 05636000110 | 83,320,177 | 94,613,097 |
| | Bank Asia PLC-Tejgaon Link Road Branch- SND 05636000123 | 1,476,831 | 1,451,748 |
| | Bank Asia PLC-Scotia Branch- SND 00736000902 | 56,450 | 14,637,474 |
| | City Bank PLC-Head Office- SND 1262088221001 | 1,086,716 | - |
| | | **401,538,699** | **259,184,260** |
| **20.02** | **Current bank accounts** | | |
| | IFIC Bank PLC-Principal Branch- CD 0000121126001 | - | 5,831,958.32 |
| | Sonali Bank PLC-Gulshan Branch- CD 0115602000685 | 1,070,680 | 2,421,975.20 |
| | IFIC Bank PLC-Narayanganj Branch- CD 1003146737001 | 17,262 | 62,861.58 |
| | Commercial Bank of Ceylon- Gulshan Branch- CD 2000001018 | 153,274 | - |
| | Agrani Bank Limited-A.Hamid Road Branch- CD 0200001006953 | - | 8,310.50 |
| | Agrani Bank Limited-Commercial Corporate Branch- CD 0200000188225 | - | 596,110.66 |
| | Agrani Bank Limited-Madaripur Branch- CD 0200001385431 | - | 3,933.50 |
| | Sonali Bank PLC-Narsingdi Branch- CD 1709001019926 | 4,270 | 3,147.00 |
| | AB Bank Limited-Jubilee Road Branch- CD 4126-105804-000 | 9,028 | 26,099.25 |
| | IFIC Bank PLC-Kushtia Branch , N S Road- CD 4062-305269-001 | 38 | 2,337.50 |
| | National Bank Limited-Rangpur Branch- CD 3626 | - | 23,523.00 |
| | Pubali Bank PLC-Faridpur Branch- CD 1998 | - | 3,121.50 |
| | IFIC Bank PLC-Dinajpur Branch-CD 6083289585001 | - | 564.50 |
| | UCB PLC-Sirajgonj Branch- CD 0422101000001560 | - | 199.00 |
| | NCCBL-Cox's Bazar Branch- CD 00140210009279 | - | 30,237.00 |
| | NBL-Jessore Branch- CD 1028000380587 | - | 34,651.00 |
| | Janata Bank PLC-Ghoramara Mohila Branch- CD 0100023810918 | - | 1,674.00 |
| | Southeast Bank PLC-Bandar Bazar Branch- CD 11100008627 | - | 3,526.22 |
| | AB Bank Limited-North South Road Branch- CD 4010-754515000 | 4,423 | 393,611.00 |
| | Prime Bank PLC-Bijoy Nagar Branch- CD 15911040004817 | 49,094 | 55,059.03 |
| | Social Islami Bank PLC-Uttara Branch- 1330000009265 | - | 288.00 |
| | IFIC Bank PLC-Stock Exchange Branch- CD 1090-315826-001 | 333,530 | 443,117.45 |
| | Mutual Trust Bank PLC-Thakurgaon Branch - 058 0210000 203 | - | 23,790.00 |
| | Southeast Bank PLC-Khatungonj Branch- CD 000411100059543 | 25,290 | 189,185.70 |
| | Bank Asia PLC-Mohakhali Branch- CD 02833000933 | 24,237 | 73,586.00 |
| | UCB PLC-Tejgaon Branch- CD 000677 | - | 169,968.75 |
| | Southeast Bank PLC-Kazi Nazrul Islam Avenue Br- CD 010211100000081 | - | 330,514.60 |
| | Dhaka Bank PLC-Cumilla Branch- CD 071-100-4687 | 88,371 | 120,118.00 |
| | Bank Asia PLC-Khulna SME Service Centre- CD 15633001298 | 15,125 | 11,835.50 |
| | Bank Asia PLC-Mymensingh Branch- CD 60633000166 | 17,110 | 91,152.00 |
| | UCB PLC-Noapara Bazar Branch- CD 0591101000000142 | - | 14,292.25 |

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |
| Bank Asia PLC-Bogra Branch- CD 03233001780 | | - | 4,913.00 |
| Bank Asia PLC-Elephant Road Branch- CD 06333001013 | | 23,044 | 275,833.00 |
| IFIC Bank PLC-Paltan Uposhakha- CD 0190292413001 | | - | 150,696.50 |
| Bank Asia PLC-Sirajganj Branch- CD 63033000126 | | 20,433 | 44,980.00 |
| Bank Asia PLC-Moghbazar Branch- CD 04433001396 | | 296,488 | 297,523.00 |
| Agrani Bank PLC- Daratana Road Branch- CD 0200024715517 | | 30,999 | - |
| Bank Asia PLC-Uttara Branch- CD 01533003495 | | 6,130 | 25,891.00 |
| | | **2,188,824** | **11,770,585** |

Bank balances were confirmed and reconciled with the respective bank statements.

## 21.00 Fixed deposit receipt (FDR)

| | | |
|---|---|---|
| Balance at the beginning of the year | 3,344,700,000 | 3,942,477,500 |
| Add: Placed during the year | 1,710,847,272 | 1,154,500,000 |
| Less: Encashed during the year | (1,862,000,000) | (1,752,277,500) |
| **Balance at the end of the year** | **3,193,547,272** | **3,344,700,000** |

## 22.00 Audit fees

| | | |
|---|---|---|
| Statutory audit fee * | 575,000 | 402,500 |
| Others audit fee | 75,000 | 103,250 |
| **Total** | **650,000** | **505,750** |

* The statutory audit fee, including VAT, is determined by the Shareholders at the Annual General Meeting.

## 23.00 Income tax expenses

| | | | |
|---|---|---|---|
| Current tax | 10.01 | 446,465,520 | 446,117,746 |
| Deferred tax expenses /(income) | 24.00 | (1,081,310) | (35,913,674) |
| **Total** | | **445,384,211** | **410,204,072** |

## 23.01 Effective tax rate calculation

| | | |
|---|---|---|
| **Profit before tax** | **1,330,631,061** | **1,369,041,786** |

| Types of income | Income | | Effective tax rate | | Tax expenses for the year | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Dividend on shares | 51,742,075 | 86,978,012 | 20% | 20% | 10,348,415 | 17,395,602 |
| Reserve for execptional loss reserve | 159,718,918 | 145,331,440 | 0% | 0% | - | - |
| Gain on sale of Assets | 1,175,543 | 665,270 | 15% | 15% | 176,331 | 99,791 |
| Business Income | 1,117,994,526 | 1,136,067,065 | 37.50% | 37.50% | 419,247,947 | 426,025,149 |
| | 1,330,631,061 | 1,369,041,786 | 32.30% | 32.40% | 429,772,694 | 443,520,542 |
| Over estimation | | | -0.38% | 0.19% | (4,990,313) | 2,597,204 |
| Deductible tax | | | -0.08% | -2.62% | (1,081,310) | (35,913,674) |
| | | | **31.84%** | **29.97%** | **423,701,070** | **410,204,072** |
| Charged for the assessment year 2021-2022, 2022-2023 & 2023-2024 | | | | | 21,683,140 | - |
| **Total** | | | | | **445,384,210** | **410,204,072** |

## 24.00 Deferred tax expenses / (income)

| | | | |
|---|---|---|---|
| Deferred tax Liabilities as at 31 December | 11 | 471,630,669 | 384,880,761 |
| Less: Deferred tax liabilities as at 01 January | 11 | (384,880,761) | (422,324,879) |
| Deferred tax provided for the year | | 86,749,908 | (37,444,118) |
| Deferred tax expense on Land & Building | | (80,535,985) | - |
| Deferred tax income on changes in fair value | | (7,295,233) | 1,530,444 |
| **Total** | | **(1,081,310)** | **(35,913,674)** |

| | Particulars | Notes | Taka | |
|---|---|---|---|---|
| | | | 2025 | 2024 |
| **25.00** | **Interest, dividend and rent** | | | |
| | **Interest income:** | | | |
| | Fixed Deposit | | 368,419,870 | 337,804,172 |
| | SND Accounts | | 11,080,418 | 35,534,205 |
| | Government Treasury & Zero Coupon Bond | | 277,216,951 | 146,902,828 |
| | | | **656,717,238** | **520,241,205** |
| | **Dividend income:** | | | |
| | Dividend on shares | | 67,658,778 | 90,392,198 |
| | **Rental income:** | | | |
| | Rental income from RI Tower | | 28,264,320 | - |
| | Rental income from Shanta Tower | | 8,527,680 | - |
| | Rental income from Aziz Tower | | 1,330,300 | 1,673,700 |
| | **Total** | | **762,498,316** | **612,307,103** |
| **26.00** | **Other income** | | | |
| | Profit on sale of assets | | 1,175,543 | 665,270 |
| | Service charges income (net) | | 2,494,987 | 963,092 |
| | Sundry income | | 689,996 | 220,665 |
| | **Total** | | **4,360,526** | **1,849,027** |

## 27.00 Earnings Per Share

### 27.01 Basic Earnings Per Share

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33: "Earnings Per Share." EPS is presented on the face of the income statement and is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. The details of the calculation are as follows:

| | | |
|---|---|---|
| Earnings attributable to ordinary shareholders (Net profit after tax) | **885,246,850** | **958,837,714** |
| Ordinary Shares at 1st January | 105,161,087 | 105,161,087 |
| Bonus Shares Issued | - | - |
| Weighted average number of ordinary shares outstanding during the year | **105,161,087** | **105,161,087** |
| Weighted average number of ordinary shares | **105,161,087** | **105,161,087** |
| **Basic Earnings Per share** | **8.42** | **9.12** |

Earnings per share decreased due to increase in Claims and Depreciation expenses.

### 27.02 Diluted Earnings per Share

Diluted earnings per share (EPS) reflects the potential dilution that could occur if additional ordinary shares were assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in the future, provided that such entitlements are not subject to unresolved contingencies.

At December 31, 2025, there was no scope for dilution and hence no dilution EPS is required to be calculated.

## 28.00 Net Assets Value Per Share

Net Operating Cash Flows Per Share (NOCFPS) has been calculated based on the weighted average of 105,161,087 shares outstanding during the period. The details of the calculation are as follows:

| | | |
|---|---|---|
| Net assets | **8,302,662,290** | **7,318,364,242** |
| Ordinary Shares at 1st January | 105,161,087 | 105,161,087 |
| Bonus Shares Issued | - | - |
| Weighted average number of ordinary shares outstanding during the year | **105,161,087** | **105,161,087** |
| Weighted average number of ordinary shares | 105,161,087 | 105,161,087 |
| **Net Assets Value Per Share** (with revaluation) | **78.95** | **69.59** |
| **Net Assets Value Per Share** (without revaluation) | **75.43** | **69.59** |

Due to increase in retained earnings and revaluation of assets, net assets value (NAV) as of December 31, 2025 has been increased.

| Particulars | Notes | Taka | |
|---|---|---|---|
| | | 2025 | 2024 |

## 29.00 Net Operating Cash Flows Per Share

Net Operating Cash Flows Per Share (NOCFPS) has been calculated based on weighted average number of 105,161,087 shares outstanding during the period. Details calculations are as follows:

| | | |
|---|---|---|
| Net cash generated from operating activities | 719,533,892 | 174,320,457 |
| Weighted average number of ordinary shares | 105,161,087 | 105,161,087 |
| **Net Operating Cash Flows Per Share** | **6.84** | **1.66** |

Net Operating Cash Flows Per Share increased due to increase of Premium income.

## 29.01 Reconciliation of net profit to net operating cash flow

| | | |
|---|---|---|
| **Net profit before tax** | **1,330,631,061** | **1,369,041,786** |
| Adjustment: | | |
| Depreciation | 117,997,441 | 28,000,854 |
| Interest income | (693,509,238) | (520,241,205) |
| Dividend income | (67,658,778) | (90,392,198) |
| Rental income | (1,330,300) | (1,673,700) |
| Profit on sales of fixed assets | (1,175,543) | (665,270) |
| **Changes in working capital:** | | |
| Increase/(decrease) the balance of fund | 47,394,628 | 58,191,900 |
| Increase/(decrease) the premium deposit | 109,993,121 | 142,607,239 |
| Increase/(decrease) of amount due to other persons or body | (78,603,676) | 553,251,187 |
| Increase/(decrease) outstanding refundable premium | 16,406 | (638,103) |
| Increase/(decrease) of Outstanding claims | 155,564,228 | (64,774,769) |
| Increase/(decrease) of sundry creditor & advance premium except payable for fixed asset and tax payable | 149,943,192 | 20,675,285 |
| (Increase)/decrease of Stock of stamps & others | (1,707,306) | 2,068,426 |
| (Increase)/decrease of Advance, deposit & prepayment except AIT, Advance for fixed assets & collection control a/c | 1,153,098 | (56,198,230) |
| (Increase)/decrease of premium control account | (0) | 1,235,252 |
| (Increase)/decrease of amount due from other persons or body | 6,702,046 | (937,027,725) |
| Income tax paid | (355,876,490) | (329,140,272) |
| **Net cash generated from operating activities** | **719,533,892** | **174,320,458** |

## 30.00 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with IAS -7 and the cash from the operating activities has been presented under direct method.

## 31.00 Transactions with related Parties

The company, in normal course of business carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard 24. Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and business with them as at December 31, 2025 were as follows:

| Name of the related party | Relationship | Nature of transaction | 2025 | | 2024 | |
|---|---|---|---|---|---|---|
| | | | Premium earned | Claim paid | Premium earned | Claim paid |
| Kumudini Welfare Trust of Bengal (BD) Ltd. | Common Director | Insurance | 1,120,754 | - | 976,034 | - |
| Rangs Group | Common Director | Insurance | 247,887,962 | 13,429,978 | 199,842,815 | 32,608,261 |
| Transcom Group | Common Director | Insurance | 168,656,215 | 33,406,517 | 223,389,406 | 70,588,452 |

## 32.00 Contingent liability

Company has the following Contingent liabilities.

| Date of Claim | Claim no. | Policy no. | Claimed amount (Taka) | Provision made (Taka) | Contingent liability (Taka) | Current status |
|---|---|---|---|---|---|---|
| 15.09.1999 | RIL/KLN/DOS/CL-00047/09/1999 | RIL/KLN/DOS/P-00001/08/1999 (Co-Ins) | 3,850,000 | - | 3,850,000 | Pending before the High Court |
| 08.10.2010 | RIL/KTJ/FL-00147/10/2010 | RIL/KTJ/FP-00001/01/2010 | 100,040,646 | 3,250,000 | 100,040,646 | Pending before Jt. District Judge, 1st Court, Chittagong |
| 13.08.2011 | RIL/JES/MVL(CCV)-00527/08/2011 | RIL/JES/MV(CV)/CERT-00303/08/2010 (Co-Ins) | 77,625,452 | - | 77,625,452 | Appealate Division High Court |
| 13.08.2011 | RIL/JES/MVL(CCV)-00527/08/2011 | RIL/JES/MV(CV)/CERT-00303/08/2010 (Co-Ins) | 50,580,000 | - | 50,580,000 | Pending before the High Court |
| **Total** | | | **232,096,098** | **3,250,000** | **232,096,098** | |

**Contingent liability for tax:**

| Assessment year | Tax demanded | Tax paid | Current status |
|---|---|---|---|
| 2011-2012 | 59,996,059 | 62,549,792 | Stay order by High Court |
| 2012-2013 | 86,114,185 | 78,573,486 | Stay order by High Court |
| 2013-2014 | 101,870,998 | 94,952,675 | Stay order by High Court |
| 2014-2015 | 137,735,829 | 130,542,043 | Stay order by High Court |
| 2015-2016 | 125,404,760 | 104,832,277 | Stay order by High Court |
| 2016-2017 | 135,386,654 | 122,355,486 | Stay order by High Court |
| 2017-2018 | 141,278,654 | 135,760,179 | Stay order by High Court |
| 2018-2019 | 180,472,886 | 157,327,591 | Stay order by High Court |
| 2019-2020 | 218,085,411 | 191,505,487 | Stay order by High Court |
| **Total** | **1,186,345,436** | **1,078,399,016** | |

## 33.00 Number of employees engaged

The number of employees engaged at reporting date who received a total remuneration of Tk. 36,000 and above per annum was 247.

## 34.00 Management expenses

Management expenses as charged to Revenue Accounts amounting to Tk. 420.86 million represents 7.78% of the gross premium of Tk. 5,410.38 million and 26.35% of net premium of Tk. 1,597.20 million in 2025. Moreover, an amount of Tk. 21.37 million was paid to the Directors and Chief Executive Officer as fees and remuneration.

### 34.01 Key management benefits

The aggregate amount paid (except Directors' fees for attending board meetings) during the year to Directors and Executives of the Company is disclosed below as required by the Securities and Exchange Rules-1987

| Benefits | 2025 | | 2024 | |
|---|---|---|---|---|
| | Directors | Executives | Directors | Executives |
| Salary | Nill | 39,696,877 | Nill | 38,996,820 |
| Festival Bonus | " | 3,104,024 | " | 3,245,574 |
| Provident Fund | " | 1,637,412 | " | 1,554,048 |
| Gratuity | " | 2,729,024 | " | 2,590,074 |
| Medical Assistance | " | 62,300 | " | 58,600 |
| Group Insurance | " | 541,109 | " | 174,657 |
| Conveyance allowance & Transport | " | 4,166,270 | " | 3,937,223 |
| **Total** | **"** | **51,937,016** | **"** | **50,556,996** |

## 35.00 Board meeting fees

| | 2025 | 2024 |
|---|---|---|
| During the year 6 Board meeting were held | | |
| a) Director Honorarium for attending meeting | 1,022,300 | 898,900 |
| | **1,022,300** | **898,900** |

## 36.00 Allocation of Management Expenses

Management expense of the Company Tk. 420.86 million has been allocated to the revenue accounts based on gross premium in the following ratio:

| Revenue Account | Gross premium including PSB | Ratio % | Share of management expenses | Stamp expense | Total |
|---|---|---|---|---|---|
| Fire | 3,326,062,680 | 61.48% | 257,573,205 | 1,189,860 | 258,763,065 |
| Marine Cargo | 959,037,228 | 17.73% | 74,268,702 | - | 74,268,702 |
| Marine Hull | 223,074,107 | 4.12% | 17,275,054 | - | 17,275,054 |
| Motor | 123,360,093 | 2.28% | 9,553,114 | 592,965 | 10,146,079 |
| Miscellaneous | 778,845,289 | 14.40% | 60,314,461 | 92,665 | 60,407,126 |
| **Total** | **5,410,379,397** | **100%** | **418,984,536** | **1,875,490** | **420,860,026** |

## 37.00 Compensation (Board & CEO)

No compensation was allowed to the Chief Executive Officer of the Company or any member of the Board for any special services rendered except as noted in note 34.

## 38.00 Claims

The Company had no claim against it which has not been acknowledged as debt at the balance sheet date.

## 39.00 Credit facility

There was no credit facility as on 31 December 2025 availed by the Company under any contract other than trade credit available in the course of business.

## 40.00 Head Office & Branch Offices

The registered office of the Company is located at Reliance Insurance Tower (9th - 13th Floor), Plot - 11, Block - C, Bir Uttom A. K. Khandker Road, Gulshan-1, Dhaka-1212, Bangladesh.

## 41.00 Geographical area of operations

The Company carries its insurance activities through Twenty One branches throughout the Bangladesh.

## 42.00 Credit Rating Report

Credit Rating Information and Services Limited (CRISL) has announced the Claim paying ability (CPA) rating of the Company as 'AAA' (Triple A indicating highest claim paying ability) based on the audited financial statements ended December 31, 2025 and other relevant qualitative and quantitative information up-to the date of rating on June 30, 2026.

## 43.00 Interim Financial Statements

Reliance Insurance PLC. publishes its interim financial statements quarterly as required by the Bangladesh Securities and Exchange Commission.

## 44.00 Post balance sheet Events

a) Board of Directors has recommended 30% cash dividend for the year ended December 31, 2025.

b)No other material event occurred after the reporting period except those mentioned above, which could materially affect the amounts or disclosures in these financial statements.

# Schedule of Property, Plant and Equipment

as at December 31, 2025

| Particulars | Cost/Revaluation | | | | | Rate | Accumulated depreciation | | | | Balance as at 31.12.2025 | Transfer to Investment Property * As at 31 Dec 2025 | Balance without Investment Property As at 31 Dec 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01.01.2025 | Additions | Revaluation | Disposals/ Adjust-ments | Balance as at 31.12.2025 | | Balance as at 01.01.2025 | Charge for the year | Disposals/ Adjust-ments | Balance as at 31.12.2025 | | | |
| **i. Fixed assets - Cost:** | | | | | | | | | | | | | |
| Land | 76,546,077 | - | - | (4,036,803) | 72,509,274 | - | - | - | - | - | 72,509,274 | | 72,509,274 |
| Buildings | 284,683,071 | 771,126,771 | - | (100,223,632) | 955,586,210 | 2.5% | 96,251,484 | 26,529,022 | (104,260,435) | 18,520,071 | 937,066,139 | 588,165,509 | 348,900,630 |
| Motor Vehicle / Cycle | 137,631,872 | 11,827,307 | - | (9,245,200) | 140,213,979 | 20% | 99,691,622 | 13,355,189 | (9,245,194) | 103,801,617 | 36,412,362 | | 36,412,362 |
| Furniture & Fixtures | 46,071,253 | 79,929,360 | - | (4,189,993) | 121,810,620 | 10% | 34,691,651 | 10,153,865 | (4,114,529) | 40,730,987 | 81,079,634 | | 81,079,634 |
| Office & Electrical Equipments | 20,880,976 | 423,056,747 | - | (2,001,228) | 441,936,495 | 15% | 17,825,333 | 63,292,232 | (2,001,168) | 79,116,397 | 362,820,097 | | 362,820,097 |
| Computers | 18,280,871 | 1,082,074 | - | (1,177,873) | 18,185,072 | 15% | 13,382,074 | 1,434,009 | (1,112,980) | 13,703,103 | 4,481,969 | | 4,481,969 |
| Telephone Installation | 802,350 | 903,925 | - | (107,635) | 1,598,640 | 15% | 753,168 | 133,781 | (107,631) | 779,318 | 819,322 | | 819,322 |
| Software Installation | 6,072,591 | 1,466,869 | - | - | 7,539,460 | 20% | 4,902,316 | 383,821 | - | 5,286,137 | 2,253,323 | | 2,253,323 |
| Signboard & Hoarding | 1,116,054 | 328,874 | - | - | 1,444,928 | 20% | 1,082,344 | 32,719 | - | 1,115,063 | 329,865 | | 329,865 |
| **Total (i) - 2025** | **592,085,115** | **1,289,721,927** | **-** | **(120,982,364)** | **1,760,824,677** | | **268,579,992** | **115,314,638** | **(120,841,937)** | **263,052,693** | **1,497,771,984** | **588,165,509** | **909,606,476** |
| **ii. Fixed assets - Revaluation:** | | | | | | | | | | | | | |
| Land | 1,382,490,726 | - | 342,000,000 | | 1,724,490,726 | | - | - | - | - | 1,724,490,726 | - | 1,724,490,726 |
| Buildings | 142,241,426 | - | 108,581,057 | (37,612,118) | 213,210,365 | | 34,929,315 | 2,682,803 | (37,612,118) | - | 213,210,365 | 133,825,114 | 79,385,251 |
| **Total (ii) - 2025** | **1,524,732,152** | **-** | **450,581,057** | **(37,612,118)** | **1,937,701,091** | | **34,929,315** | **2,682,803** | **(37,612,118)** | **-** | **1,937,701,091** | **133,825,114** | **1,803,875,977** |

# Schedule of Property, Plant and Equipment

as at December 31, 2025

| Particulars | Cost/Revaluation | | | | | Rate | Accumulated depreciation | | | | Balance as at 31.12.2025 | Transfer to Investment Property * As at 31 Dec 2025 | Balance without Investment Property As at 31 Dec 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Balance as at 01.01.2025 | Additions | Revaluation | Disposals/ Adjust-ments | Balance as at 31.12.2025 | | Balance as at 01.01.2025 | Charge for the year | Disposals/ Adjust-ments | Balance as at 31.12.2025 | | | |
| **Fixed assets - Cost & Revaulation:** | | | | | | | | | | | | | |
| Land | 1,459,036,803 | - | 342,000,000 | (4,036,803) | 1,797,000,000 | | - | - | - | - | 1,797,000,000 | - | 1,797,000,000 |
| Buildings * | 426,924,497 | 771,126,771 | 108,581,057 | (137,835,750) | 1,168,796,575 | 2.5% | 131,180,799 | 29,211,825 | (141,872,553) | 18,520,071 | 1,150,276,504 | 721,990,623 | 428,285,881 |
| Motor Vehicle / Cycle | 137,631,872 | 11,827,307 | - | (9,245,200) | 140,213,979 | 20% | 99,691,622 | 13,355,189 | (9,245,194) | 103,801,617 | 36,412,362 | - | 36,412,362 |
| Furniture & Fixtures | 46,071,253 | 79,929,360 | - | (4,189,993) | 121,810,620 | 10% | 34,691,651 | 10,153,865 | (4,114,529) | 40,730,987 | 81,079,634 | - | 81,079,634 |
| Office & Electrical Equipments | 20,880,976 | 423,056,747 | - | (2,001,228) | 441,936,495 | 15% | 17,825,333 | 63,292,232 | (2,001,168) | 79,116,397 | 362,820,097 | - | 362,820,097 |
| Computers | 18,280,871 | 1,082,074 | - | (1,177,873) | 18,185,072 | 15% | 13,382,074 | 1,434,009 | (1,112,980) | 13,703,103 | 4,481,969 | - | 4,481,969 |
| Telephone Installation | 802,350 | 903,925 | - | (107,635) | 1,598,640 | 15% | 753,168 | 133,781 | (107,631) | 779,318 | 819,322 | - | 819,322 |
| Software Installation | 6,072,591 | 1,466,869 | - | - | 7,539,460 | 20% | 4,902,316 | 383,821 | - | 5,286,137 | 2,253,323 | - | 2,253,323 |
| Signboard & Hoarding | 1,116,054 | 328,874 | - | - | 1,444,928 | 20% | 1,082,344 | 32,719 | - | 1,115,063 | 329,865 | - | 329,865 |
| **Total (i+ii) - 2025** | **2,116,817,267** | **1,289,721,927** | **450,581,057** | **(158,594,482)** | **3,698,525,768** | | **303,509,307** | **117,997,441** | **(158,454,055)** | **263,052,693** | **3,435,473,075** | **721,990,623** | **2,713,482,453** |
| **Total - 2024** | **2,120,448,857** | **19,222,352** | **-** | **(22,853,944)** | **2,116,817,265** | | **298,338,352** | **28,000,844** | **(22,829,890)** | **303,509,306** | **1,813,307,959** | | |

* As per IAS 40 Building under Property, plant and equipments transferred to Investment property as on December 31, 2025.

Hoque Bhattacharjee Das & Co.
Chartered Accountants

an independent member of XLNC

# Assets Valuation Report

Date: 22 January 2026

The Managing Director
Reliance Insurance PLC
Reliance Insurance Tower
Plot # 11, Bir Uttam A. K. Khandaker Road,
Block-C, Gulshan-1, Dhaka-1212.

**Subject: Valuation of Land and Building of Reliance Insurance PLC.**

Dear Sir,

Referring to our engagement letter no: HBD/AB/RIPLC/Advisory/2026/015 dated 10.01.2026, for the above subject matter, we enclose herewith our final comprehensive report in respect of the Valuation of land, building, and investment properties of Reliance Insurance PLC.

This report has been prepared based on extensive fieldwork carried out between 11 January 2026 and 21 January 2026. We have applied the estimated value as on 31 December 2025, which is our valuation date as per the engagement terms. We have utilized the audited financial statements data for the period ended 31 December 2024 and draft figures for 2025 as provided to us by the management.

The primary purpose of this valuation is to determine the Fair Value of the company's real estate assets to facilitate the reclassification of qualifying properties from **IAS 16 (Property, Plant and Equipment)** to **IAS 40 (Investment Property)**, and to assess the fair value of the remaining owner-occupied assets.

The terms of engagement for this report have been agreed by you and we will not accept responsibility to any other party to whom the report may be shown or who may acquire a copy without our prior written consent. However, Hoque Bhattacharjee Das & Co. will answer and provide clarification, if required, to regulatory authorities (such as the BSEC or IDRA) independently without the specific consent of the company, as per professional obligations.

Yours faithfully,

**Avijit Bhattacharjee FCA**
Engagement Partner
**Hoque Bhattacharjee Das & Co.**
Chartered Accountants

## 4. Executive Summary

Reliance Insurance PLC is one of the premier first-generation private non-life insurance companies in Bangladesh, incorporated in 1988. The Company's corporate office is located at Plot #11, Bir Uttam A.K. Khandaker Road, Block-C, Gulshan-1, Dhaka-1212. Over the last 36 years, it has accumulated a substantial base of fixed assets including land, commercial buildings, and investment properties.

Hoque Bhattacharjee Das & Co. was appointed by Reliance Insurance PLC, as an independent third-party consultant to act as the Valuation Firm to provide valuation services for selected real estate assets. The purpose of valuation is to determine the present Fair Value of specific land and buildings to support financial reporting requirements, specifically the adoption of the Fair Value model for Investment Properties under IAS 40.

The concept of "Fair Value" has been kept in mind in placing a value on the projects and ultimately arriving at a fair value. For determining the fair value, we have assessed different methodologies as mentioned in the IFRS 13 and International Valuation Standards (IVS), specifically the Market Approach, Cost Approach, and Income Approach.

Based on our detailed analysis as set out in the report, we have considered the Market Approach for determining the Fair Value of freehold land and the Cost Approach (Depreciated Replacement Cost) for determining the value of owner-occupied buildings. For properties identified as Investment Properties (generating rental income), we have utilized the Income Capitalization Approach and Market Comparison Method.

### Input Levels:

Hoque Bhattacharjee Das & Co. applied the principles outlined in IFRS 13, Level 2 inputs, as these inputs are observable and provide a reasonable basis for estimating the fair value of land and building. This decision is in line with the standards set by IFRS 13, ensuring that the fair value measurement is based on the best available information in the circumstances. Level 2 inputs include market data and prices for similar assets in active markets (e.g., Gulshan Avenue, Tejgaon Industrial Area, Agrabad C/A).

**Valuation Results Summary:**

The total fair value of the assets under scope as of 31 December 2025 is summarized below:

| Asset Category | Methodology | Historical Cost (BDT) | WDV (BDT) | Fair Value (BDT) |
|---|---|---|---|---|
| Freehold Land (29.95 Decimal) | Market Approach | 1,455,000,000 | 1,455,000,000 | 1,797,000,000 |
| Reliance Insurance Tower | Cost, Income & Market Approach Mix | 770,115,530 | 751,595,459 | 774,567,443 |
| Reliance Ex-Head Office, Shanta Tower | Cost, Income & Market Approach Mix | 267,799,991 | 187,691,047 | 257,441,928 |
| Agrabad Branch | Cost, Income & Market Approach Mix | 80,261,500 | 55,473,889 | 68,837,190 |
| Kawran Bazar Branch | Cost & Market Approach Mix | 79,874,247 | 42,898,249 | 68,365,124 |
| **Total Asset Value** | | **2,653,051,268** | **2,492,658,644** | **2,966,211,685** |

It is to be noted that as per BSEC's notification no. SEC/CMRRCD/2009 - 193/150/Admin; dated 18 August 2013, General requirements #8, no upward revaluation of an asset shall be made within two years of its acquisition. We have verified that all assets valued herein have been held for more than two years.

# ADDITIONAL DISCLOSURES CHECKLIST & MISCELLANEOUS







# Human Resource Valuation and Accounting

### Human Resource Valuation

Human Resource valuation means the identification and measurement of the value of Human Resources and then supplying this information to the interested parties. It is sometimes also defined as a method of assigning value to the employees on the basis of their future economic services to the organization. The employees of value at the present worth of the services they are expected to render during their stay in the organization or a particular period of time.

### Human Resource Accounting

A resource is defined as an object which can provide expected future services. Hence, objects which do not have expected future service potential cannot by definition, be resources. People being capable of rendering future services, such potential services constitute a form of capital.

Human Resource Accounting (HRA) is the process of identifying, measuring, and communicating data about human resources. Flamhoitz (1974) defined HRA as 'Accounting for people as an organizational resource. It involves measuring the costs incurred by business firms and other organizations to recruit, select, hire, train and develop human assets. It also involves measuring the economic value of people to the organization'.

### Need and Importance of HR Valuation & Accounting

HR valuation tells the potential investors about the human assets of a company. The investors can assess the returns from human assets which in fact is the return they get from the people who are managing their investments. It also assures the customers of the company that it has the requisite human capital reserves to service their demand. The employees of the company also feel assured when they come to know that they are counted as assets by the company and not expenses. HR valuation also serves as a tool for improved performance appraisal and man power assessment. It also helps the management in realizing the present value of its future commitment of providing employee compensation. It also helps the management in taking appropriate decision regarding the use of human assets. Managers get valuable feedback regarding the effectiveness of their HR policies and practices.

### Practice in RIPLC

In RIPLC, we are following conventional accounting practice and not capitalizing any HR cost and amortize it over service life of employees. However, we are taking benefits of HR valuation and accounting concepts and using the information (such as per employee cost to the company, per employee training & development cost, expected service life of employees, per capita productivity and its growth over periods etc.) in making important management decisions that will benefit the long-run strategic goals and profitability of the Company.

**Human Resource accounting information provides useful information to our management, financial analysts and employees as stated below:**

- Helps the management in the recruiting, locating and utilization of human resources.
- Helps in deciding the transfers, promotion and training of employees
- It provides a basis for planning of physical assets vis-à-vis Head Count.
- It assists in evaluating the expenditure incurred for imparting further education and training in employees in terms of the benefits derived by the organization.
- It helps to identify the causes of employee turnover at various levels and taking preventive measures to contain it.
- It helps in locating the real cause for low/high return on investment, improper or under-utilization of physical assets or employees.
- It helps in understanding and assessing the inner strength of an organization and helps the management to steer the company well through most adverse and unfavorable circumstances.
- It provides valuable information for persons interested in making long term investment.
- It helps employees in improving their performance. It makes each of them to understand his contribution towards the betterment of the firm vis-à-vis the expenditure incurred by the firm on him.

# Human Resources Policy

At RIPLC, we recognize that our employees are the key to our success and nothing can be achieved without their engagement. Our Human Resources Policy encompasses the guidelines which constitute a solid basis for effective Human Resources Management throughout the organization. It explains to all RIPLC employees the vision and mission of the Human Resources function and illustrates every aspect of our employees' lifecycle. The RIPLC Management inspire all the employees in their actions and in their dealings with others.

**RIPLC Human Resources Policy specifically aims to do the following:**

- We believe, keeping employees motivated and engaged is not only about remuneration and benefits, it is also about the trust that our name brings to those who work in RIPLC; the relationships with our line managers and fellow workers; recognition and experiences enjoyed; and possibilities to learn and grow. These are as a whole, the Total Rewards our employees receive without any regard to age, sex, race, political belief and religion.
- Reliance Insurance, therefore, focuses on fixed pay, variable pay, benefits, personal growth and work life balance as the key elements that define Total Rewards.
- At Reliance we try to create a climate of trust, mutual respect and support within the company which encourage the employees to work well together as a team and at the same time, to encourage them to be innovative and creative in order to achieve company goals.
- To maintain a congenial working environment which allows employees to work with maximum effectiveness and to ensure that safety rules and hygiene are strictly observed.
- Provide information to employees regularly about different aspects of the operation and its progress which are relevant to them and involve them in matters which are of concern to their job and work situation.
- To develop an effective internal communication and involvement mechanism which encourage employees to identify themselves with the company and its activities.
- To adopt and institute a planned and systematic approach to anticipated changes and develop plans for preparing employees for technological and environmental changes.
- To identify employees' training and development needs and provide them with necessary development opportunities for them to advance in their career.
- To ensure that employment opportunities conform to the established and acceptable practices of the country.
- To ensure that there are proper manpower planning and forecasting system in place to ensure that there will be enough people with the right skills and talents to meet company's current and future growths and needs.
- To ensure that there are transparent processes in place for selection, promotion, appraisal and performance management, reward & recognition systems.
- To put in place succession plans for all senior management positions in the company.
- To ensure that people with high capabilities proven by track record reach key management position regardless of their sex, religion, caste, creed and more importantly age and seniority.

# Human Resource Management

### Employee profile

We strive to make Reliance a great workplace by creating a performance driven culture that rewards success and encourages employees to take control of their personal development through the process of learning and rewarding we intent to enable individuals to think, behave, take actions and make decision independently.

### Salary policy

We target a fair human resources management by using a performance-based system. Our salary policy is same in all branches and service points for the beginner level. In addition, to drive further development of individual skill, increment is given based on performance. There is no incident of discrimination in terms of remuneration provided to male and female employees.

### Benefits to employees

Every employee is paid salary on monthly basis, which is a combination of basic salary, fringe benefits and other benefits disbursed within 25th to 30th of each month. Reliance's benefit schemes are as follows:

**FRINGE BENEFIT SCHEMES**

- House rent allowance
- Conveyance allowance
- Medical allowance
- Leave fare assistance
- Dearness allowance
- Personal pay
- Special allowance
- Special conveyance allowance

**OTHER BENEFIT SCHEMES**

- Festival bonus
- Performance (PLV) Bonus
- Group life insurance
- Hospitalization Scheme
- House loan support scheme
- Car Scheme
- Provident fund loan
- Mobile bill & handset allowance

**RETIREMENT BENEFIT PLANS**

- Provident fund
- Gratuity
- Leave encashment

### End Service Benefit Plans Minimum Notice Period Regarding Operational Changes

Minimum notice period before switching job is 2 months for regular employees and 1 month for contractual employees. Minimum notice period before changing department is 1-30 days as per situation or demand of concerned branch/ department.

### Employees by Region

Reliance's employees are mainly spread over Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 80% in 2025 for corporate office and branches in Dhaka city. We follow fair hiring process which demonstrates no discrimination in locality, religion of employees in this process.

### Gender Positioning of Employees

Reliance has been maintaining a very balanced male and female ratio, which was not only reflected in the board of directors but also in the company management at different levels.

### Per employee average salary

The number of employees was 247 persons engaged at reporting date who received an average remuneration of Tk. 36,000 and above per month.

### Employee by number

| Particulars | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Total Number of Employees | 320 | 317 | 298 | 278 | 247 |
| Total Male Employees | 281 | 278 | 264 | 246 | 220 |
| Total Female Employees | 39 | 39 | 34 | 32 | 27 |
| Total Separation | 31 | 30 | 31 | 26 | 42 |
| Total Inclusion | 34 | 24 | 15 | 20 | 13 |
| Employee Turnover Rate | 9.60% | 9.38% | 9.78% | 8.72% | 15.11% |

### Number of Professionals

Reliance Insurance PLC is a leading insurance provider, offering a wide range of insurance products and services to its customers. The company's success is driven by its team of highly skilled professionals who contribute to its operations, customer service, and strategic growth. This chapter provides an overview of the number of professionals employed by Reliance Insurance PLC.

### Chartered Accountants

There are 2 (two) Executive Chartered Accountants, and a number of partly completed from ICAB.

### Chartered Insurer

There are 3 (three) Executive Chartered Insurers and 3 (three) qualified Certificate in Insurance (Marketing) from the Chartered Insurance Institute, UK.

### Chartered Secretary

There is a member of Institue of Chartered Secretary.

### Associate of BIA

There are 10 (ten) ABIAS.

### Gender diversity

Gender diversity in a workplace means that men and women are hired at a comparable rate, paid evenly, and given the same working opportunities with equal promotions.




### Training cost per employee

Reliance always emphasizes on training & development for its employees for their professional advancements. The company arranges training and workshops in its well-equipped own training centre in regular interval and also nominates significant number of employees to attend local and international programs and all these training programs were arranged virtually instead of physical presence.

# Glossary

| Terms | Meaning |
|---|---|
| Account Payable | Amount owed to a creditor for delivered goods or completed services. |
| Accounting Policies | The specific principles, bases conventions, rules, and practices adopted by the enterprise in preparing and presenting financial statements. |
| Accounting Profit | Profit or Loss for a period before deducting tax expense. |
| Accounts Receivable | Short-term monetary assets that arise from sales on credit to customers at either the wholesale or the retail level. |
| Accrual Accounting | The reporting of revenues from sales in the period in which they are sold, regardless of when the cash is received, and the reporting of expenses in the period of purchase, regardless of when the payment is made. |
| Active Market | A market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. |
| Amortization | Amortization is the systemic allocation of the depreciable amount of an intangible asset over its useful life. |
| Bangladesh Financial Reporting Standards (BFRSs) | are Standards and Interpretations adopted by ICAB from the International Financial Reporting Standards(IFRS). BFRS comprise:<br>a) Bangladesh Financial Reporting Standards;<br>b) Bangladesh Accounting Standards;<br>c) BFR Interpretations; and<br>d) BAS Interpretations |
| Book Value | The total assets of a company less total liabilities; owners' equity; Fixed Assets less Depreciation. |
| Borrowing costs | Interest and other costs that an entity incurs in connection with the borrowing of funds |
| Budget | Financial plan that serves as an estimate of future cost, revenues or both. |
| Carrying Amount | The amount at which an asset is recognized in the balance sheet after deducting any accumulated depreciation and accumulated impairment losses thereon. |
| Carrying amount | The amount at which an asset is recognised after deducting any accumulated impairment losses thereon. |
| Carrying amount | The amount at which an asset is recognised in the statement of financial position. |
| Cash | Cash on hand and demand deposits |
| Cash Equivalents | Short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. |
| Cash equivalents | Short-term, highly liquid investments that are readily covertible to known amounts of cash and which are subject to an insignificant risk of changes in value. |
| Cash Flow Statement | A financial statement that shows a company's sources and uses of cash during an accounting period. |
| Cash flows | Inflows and outflows of cash and cash equivalents. |
| Cedant | The policyholder under a reinsurance contract. |
| Claim | A demand made by the insured or the insured's beneficiary for payment of the benefit as provided by the policy. |
| Contingent liability | Is:<br>(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or<br>(b) a present obligation that arises from past events but is not recognised because:<br>(i) it is not possible that an outflow of resources embodying economic benefits will be required to settle the obligation; or<br>(ii) the amount of the obligation cannot be measured with sufficient reliability. |
| Current Tax | The amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for a period. |

| Terms | Meaning |
|---|---|
| Deductible temporary differences | Temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled. |
| Deferred tax assets | The amounts of income taxes recovered in future periods in respect of:<br>(a) deductible temporary differences;<br>(b) the carry forward of unused tax losses; and<br>(c) the carry forward of unused tax credits. |
| Deferred tax liabilities | The amounts of income taxes recovered in future periods in respect of taxable temporary differences. |
| Depreciation | The systemic allocation of the depreciable amount of an asset over its useful life. |
| Direct insurance contract | An insurance contract that is not a reinsurance contract. |
| Dividends | Distributions of profits to holders of equity instruments in proportion to their holdings of a particular class of capital. |
| Earnings Per Share (EPS) | EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. |
| Events after the reporting period | Those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of event scan be identified:<br>(a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and<br>(b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period). |
| Fair Market Value | Fair market value is the price that two parties are willing to pay for an asset or liability when both parties have full information and are not pressured to close the sale. |
| Fair value | The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchange, between knowledgeable, willing parties in an arm's length transaction. |
| Generally Accepted Account Principles (GAAP) | The conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. |
| Gross premium underwritten | That is the total sum before expenses or cost. |
| Held to maturity investment | Financial assets with fixed or determinable payments and fixed maturity that an enterprise has the positive intent and ability to hold to maturity other than loans and receivables originated by the enterprise. |
| Insurance contract | A contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. |
| Insurance liability | An insurer's net contractual obligations under an insurance contract. |
| Insurance risk | Risk, other that financial risk, transferred from the holder of a contract to the issuer. |
| Insurer | The party that has an obligation under an insurance contract to compensate a policyholder if an insured event occurs. |
| Intangible Assets | Long-term assets that have no physical substance but have a value based on rights or privileges accruing to the owner. |
| Interest | The cost associated with the use of money for a specific period of time. |
| Market Value | The amount obtainable from the sale or payable on the acquisition, of a financial instrument in an active market. |
| Marketable Securities | An investment in securities which are readily marketable; temporary investments. |
| Net Premium underwritten | Gross Premium less ceded Reinsurance. |
| Ordinary share | An equity instrument that is subordinate to all other classes of equity instruments. |

| Terms | Meaning |
|---|---|
| Policy holder | A party that has a right to compensations under a insurance contract if an insured event occurs. |
| Post-employment benefits | Formal or informal arrangements under which an entity provides post-employment benefits for one or more employees. |
| Premium | The price of insurance protection for a specified risk for a specified period of time. |
| Prepaid Expenses | The expenses paid in advance that do not expire during the current accounting period. |
| Prior period errors | Omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:<br>(a) was available when financial statements for those periods were authorised for issue; and<br>(b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.<br>Such errors include the effects of mathematical mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud. |
| Property, plant and equipment | Tangible items that:<br>(a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purpose; and<br>(b) are expected to be used during more than one period. |
| Provision | A liability of uncertain timing or amount. |
| Re – insurance | Also known as "Insurance for insurers". The contract between an insurance company and a third party to protect the insurance company from loss. |
| Reinsurance assets | A cedant's net contractual rights under a reinsurance contract. |
| Related party Transaction | A transfer of resources or obligations between related parties, regardless of whether a price is charged. |
| Reserve for Exceptional Losses | A reserve either specific or general required by law. |
| Return on Assets | A measure of profitability that shows how efficiently a company is using all its assets. |
| Revenue | The gross inflow of economics benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in arise in equity, other than increases relating to contributions from equity participants. |
| Tangible Assets | Long-term assets that have physical substance. |
| Tax expense (tax income) | The aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). |
| taxable temporary differences | Temporary differences that will result in taxable amounts in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled. |
| Unpaid Dividend | A dividend that is owed to stockholders of record but has yet to be distributed. |
| Useful life | The estimated remaining period, from the commencement of the lease term, without limitation by the lease term, over which the economic benefits embodied in the asset are expected to be consumed by the entity. |
| Working Capital | The amount by which the total current assets exceed total current liabilities. |

রিলায়েন্স ইন্স্যুরেন্স পিএলসি
RELIANCE INSURANCE PLC.

**Registered Office:** Reliance Insurance Tower
Plot no. 11, Block CWS(C), South Avenue, Gulshan-1
Dhaka 1212, Bangladesh

## PROXY FORM

I/We .....

of ..... being a member of

Reliance Insurance PLC do hereby appoint Mr./Ms. .....

..... or (failing his/her) Mr./Ms. ..... as my/our proxy, to vote for me/ us and on my/ our behalf at the Thirty Eighth Annual General Meeting of the company to be held on Thursday, April 30, 2026 at 11:00 AM using digital platform at https://relianceinsurance.virtualagmbd.com and any adjournment thereof.

Signature of proxy

Revenue Stamp Tk. 100/-

Signature of shareholder

Folio No ..... BO A/C No | | | | | | | | | | | | | | | |

**N.B.: IMPORTANT**

1. This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the company registered office or its scanned copy should be sent through email at emdad@reliance-bd.com. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholders should agree with the Specimen signature registered with the Company and Depository Register.

রিলায়েন্স ইন্স্যুরেন্স পিএলসি
RELIANCE INSURANCE PLC.

**Registered Office:** Reliance Insurance Tower
Plot no. 11, Block CWS(C), South Avenue, Gulshan-1
Dhaka 1212, Bangladesh

## ATTENDANCE SLIP

I hereby record my attendance at the Thirty Eighth Annual General Meeting of the company to be held on Thursday, April 30, 2026 at 11:00 AM using digital platform at https://relianceinsurance.virtualagmbd.com and any adjournment thereof.

Name of the Member/ Proxy .....

Register Folio/BO No ..... holding ..... share(s)

Signature ..... Date .....

Signature

N.B.: Signature of the Shareholders should agree with the Specimen signature registered with the Company and Depository Register.

# FORWARD-LOOKING STATEMENT

This Report contains information that may constitute "forward-looking statements" regarding future events or the future financial performance of the Company. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature.

All statements that speak to operating performance, events or developments that we expect or anticipate will happen in the future—including statements relating to premium growth, market share and earnings per share growth, and statements expressing general views about future operating results—are forward-looking statements. Management believes that these forward-looking statements are reasonable as and when made.

However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Our Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the regulatory authorities. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our Company's historical experience and our present expectations or projections.



রিলায়েন্স ইন্স্যুরেন্স পিএলসি

**RELIANCE INSURANCE PLC.**

**Reliance Insurance Tower**
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